

001

Form 3160-3
(September 2001)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0136
Expires January 31, 2004

5. Lease Serial No.

UTU-65210

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA Agreement, Name and No.

BlackJack Unit

8. Lease Name and Well No.

BlackJack Federal 4-10-9-17

9. API Well No.

43-013-02507

10. Field and Pool, or Exploratory

Monument Butte

11. Sec., T., R., M., or Blk. and Survey or Area

NW/NW Sec. 10, T9S R17E

12. County or Parish

Duchesne

13. State

UT

1a. Type of Work: ☒ DRILL☐ REENTER1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other☒ Single Zone ☐ Multiple Zone

2. Name of Operator

Inland Production Company

3a. Address

Route #3 Box 3630, Myton UT 84052

3b. Phone No. (include area code)

(435) 646-3721

4. Location of Well (Report location clearly and in accordance with any State requirements.)*

At surface NW/NW 398' FNL 520' FWL 4433753Y 40.05160

At proposed prod. zone 585325X - 109.99969

14. Distance in miles and direction from nearest town or post office*

Approximately 14.0 miles southeast of Myton, Utah

15. Distance from proposed*
location to nearest
property or lease line, ft.

(Also to nearest drig. unit line, if any) Approx. 398' f/lse, 1718' f/unit

16. No. of Acres in lease

240.00

17. Spacing Unit dedicated to this well

40 Acres

18. Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft.

Approx. 2009'

19. Proposed Depth

6500'

20. BLM/BIA Bond No. on file

#4488944

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

5195' GR

22. Approximate date work will start*

1st Quarter 2004

23. Estimated duration

Approximately seven (7) days from spud to rig release.

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature

Name (Printed/Typed)

Mandie Crozier

Date

10/2/03

Title

Regulatory Specialist

Approved by (Signature)

Name (Printed/Typed)

BRADLEY G. HILL

Date

10-14-03

Title

ENVIRONMENTAL SCIENTIST III

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

RECEIVED

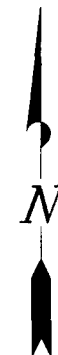
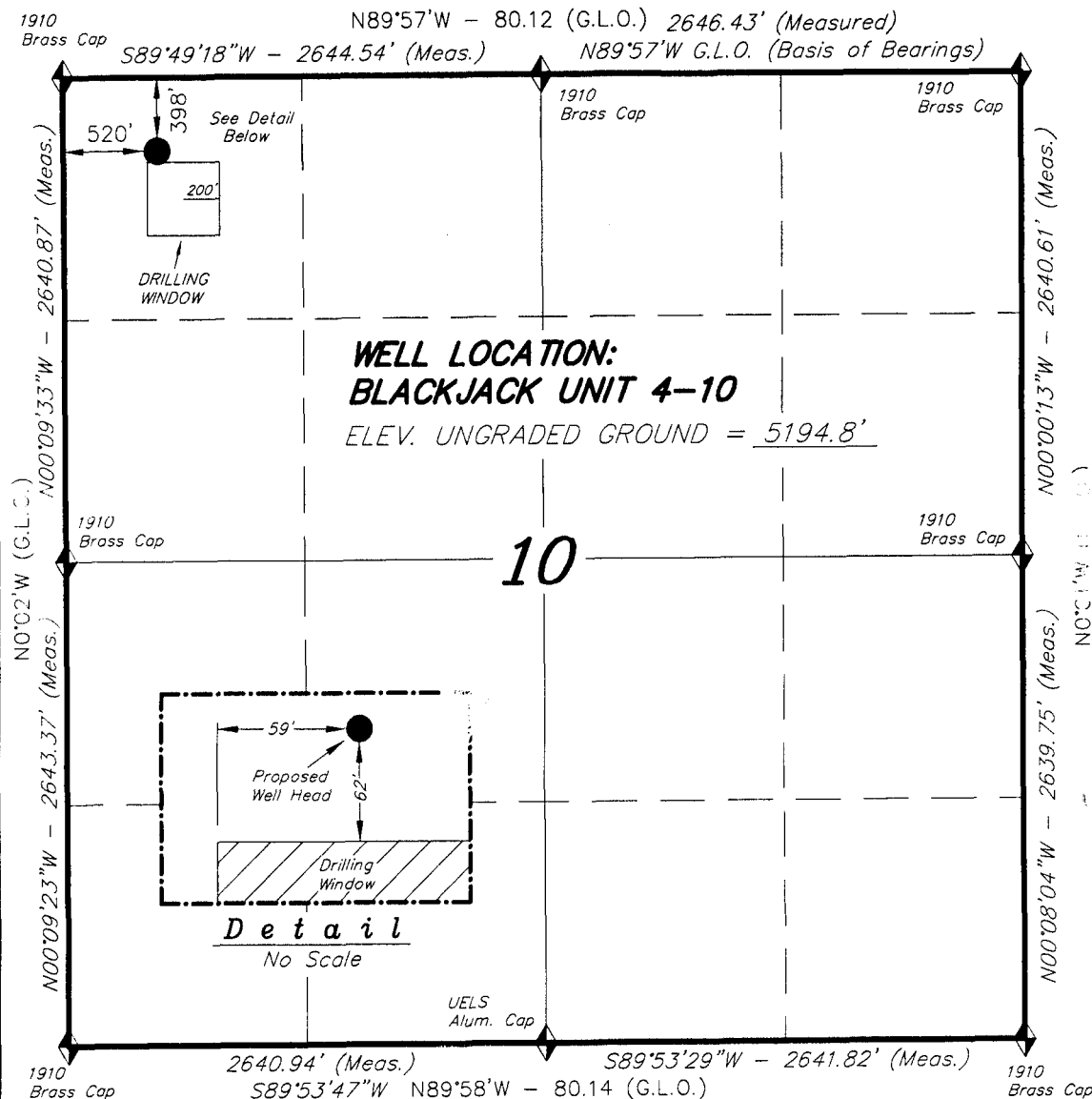
OCT 03 2003

DIV. OF OIL, GAS & MINING

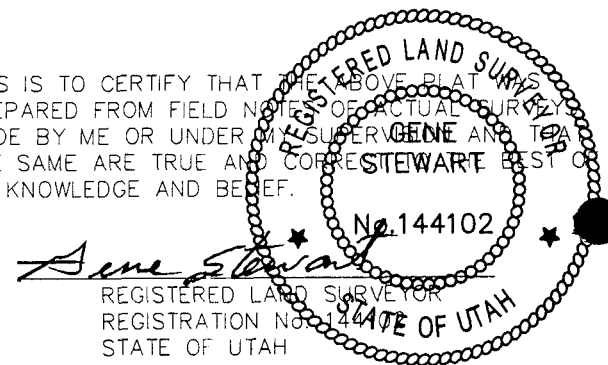
T9S, R17E, S.L.B.&M.

INLAND PRODUCTION COMPANY

WELL LOCATION, BLACKJACK UNIT 4-10,
LOCATED AS SHOWN IN THE NW 1/4 NW
1/4 OF SECTION 10, T9S, R17E,
S.L.B.&M. DUCHESNE COUNTY, UTAH.



THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS
PREPARED FROM FIELD NOTES OF ACTUAL SURVEY
MADE BY ME OR UNDER MY SUPERVISION AND THAT
THE SAME ARE TRUE AND CORRECT TO THE BEST OF
MY KNOWLEDGE AND BELIEF.



◆ = SECTION CORNERS LOCATED

BASIS OF ELEV; U.S.G.S. 7-1/2 min QUAD (PARIETTE DRAW SW)

TRI STATE LAND SURVEYING & CONSULTING

180 NORTH VERNAL AVE. - VERNAL, UTAH 84078
(435) 781-2501

SCALE: 1" = 1000'

SURVEYED BY: D.J.S.

DATE: 8-27-03

DRAWN BY: J.R.S.

NOTES:

FILE #

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:

3160

(UT-922)

October 14, 2003

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2003 Plan of Development Blackjack Unit,
Duchesne County, Utah.

Pursuant to email between Diana Mason, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2003 within the Blackjack Unit, Duchesne County, Utah.

| API # | WELL NAME | LOCATION |
|-------|-----------|----------|
|-------|-----------|----------|

(Proposed PZ Green River)

| | | |
|--------------|-------------------|---|
| 43-013-32500 | Blackjack Federal | 16-03-9-17 Sec 3 T09S R17E 0545 FSL 0596 FEL |
| 43-013-32501 | Blackjack Federal | 15-03-9-17 Sec 3 T09S R17E 0762 FSL 1838 FEL |
| 43-013-32503 | Blackjack Federal | 15-10-9-17 Sec 10 T09S R17E 0575 FSL 2082 FEL |
| 43-013-32504 | Blackjack Federal | 13-10-9-17 Sec 10 T09S R17E 0300 FSL 0692 FWL |
| 43-013-32505 | Blackjack Federal | 12-10-9-17 Sec 10 T09S R17E 1999 FSL 0730 FWL |
| 43-013-32506 | Blackjack Federal | 11-10-9-17 Sec 10 T09S R17E 1813 FSL 2068 FWL |
| 43-013-32507 | Blackjack Federal | 4-10-9-17 Sec 10 T09S R17E 0398 FNL 0520 FWL |
| 43-013-32508 | Blackjack Federal | 2-10-9-17 Sec 10 T09S R17E 0660 FNL 1980 FEL |

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Blackjack Unit
Division of Oil Gas and Mining
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:10-14-3



October 2, 2003

State of Utah
Division of Oil, Gas & Mining
Attn: Diana Mason
1594 West North Temple - Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Applications for Permit to Drill: Blackjack Federal 2-10-9-17, 4-10-9-17, 11-10-9-17, 12-10-9-17, 13-10-9-17, 15-10-9-17, and Federal 9-10-9-17.

Dear Diana:

Enclosed find APD's on the above referenced wells. The 4-10-9-17 and 13-10-9-17 are Exception Locations. You will be receiving Exception Locations Letters from our Land Department shortly. If you have any questions, feel free to give either Brad or myself a call.

Sincerely,

Mandie Crozier
Regulatory Specialist

mc
enclosures

RECEIVED
OCT 03 2003
DIV. OF OIL, GAS & MINING

**INLAND PRODUCTION COMPANY
BLACKJACK FEDERAL #4-10-9-17
NW/NW SECTION 10, T9S, R17E
DUCHESNE COUNTY, UTAH**

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. GEOLOGIC SURFACE FORMATION:

Uinta formation of Upper Eocene Age

2. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS:

| | |
|-------------|------------|
| Uinta | 0' – 1640' |
| Green River | 1640' |
| Wasatch | 6000' |

3. ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS:

Green River Formation 1640' – 6500' - Oil

4. PROPOSED CASING PROGRAM

Please refer to the Monument Butte Field Standard Operation Procedure (SOP).

5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

Please refer to the Monument Butte Field SOP. See Exhibit "C".

6. TYPE AND CHARACTERISTICS OF THE PROPOSED CIRCULATION MUDS:

Please refer to the Monument Butte Field SOP.

7. AUXILIARY SAFETY EQUIPMENT TO BE USED:

Please refer to the Monument Butte Field SOP.

8. TESTING, LOGGING AND CORING PROGRAMS:

Please refer to the Monument Butte Field SOP.

9. ANTICIPATED ABNORMAL PRESSURE OR TEMPERATURE:

The anticipated maximum bottom hole pressure is 2000 psi. It is not anticipated that abnormal temperatures will be encountered.

10. ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS:

Please refer to the Monument Butte Field SOP.

**INLAND PRODUCTION COMPANY
BLACKJACK FEDERAL #4-10-9-17
NW/NW SECTION 10, T9S, R17E
DUCHESNE COUNTY, UTAH**

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. EXISTING ROADS

See attached Topographic Map "A"

To reach Inland Production Company well location site Blackjack Federal #4-10-9-17 located in the NW 1/4 NW 1/4 Section 10, T9S, R17E, Duchesne County, Utah:

Proceed southwesterly out of Myton, Utah along Highway 40 - 1.6 miles \pm to the junction of this highway and UT State Hwy 53; proceed southeasterly along Hwy 53 - 12.1 miles \pm to it's junction with an existing road to the northeast; proceed northeasterly 0.3 miles \pm to it's junction with the beginning of the proposed access road; proceed easterly along the proposed access road 790' \pm to the proposed well location.

2. PLANNED ACCESS ROAD

See Topographic Map "B" for the location of the proposed access road.

3. LOCATION OF EXISTING WELLS

Refer to Exhibit "B".

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

Please refer to the Monument Butte Field Standard Operating Procedure (SOP).

5. LOCATION AND TYPE OF WATER SUPPLY

Please refer to the Monument Butte Field SOP. See Exhibit "A".

6. SOURCE OF CONSTRUCTION MATERIALS

Please refer to the Monument Butte Field SOP.

7. METHODS FOR HANDLING WASTE DISPOSAL

Please refer to the Monument Butte Field SOP.

8. ANCILLARY FACILITIES

Please refer to the Monument Butte Field SOP.

9. **WELL SITE LAYOUT**

See attached Location Layout Diagram.

10. **PLANS FOR RESTORATION OF SURFACE**

Please refer to the Monument Butte Field SOP.

11. **SURFACE OWNERSHIP** - Bureau Of Land Management

12. **OTHER ADDITIONAL INFORMATION**

The Archaeological Resource Survey and Paleontological Resource Survey for this area are attached. Archaeological Report #1053-01, 6/26/98. Paleontological Resource Survey prepared by, Uintah Paleo, 3/19/98. See attached report cover pages, Exhibit "D".

Inland Production Company requests a 60' ROW for the Blackjack Federal #4-10-9-17 to allow for construction of a 6" gas gathering line, and a 3" poly fuel gas line. Both lines will tie in to the existing pipeline infrastructure. **Refer to Topographic Map "C."** For a ROW plan of development, please refer to the Monument Butte Field SOP.

Water Disposal

Please refer to the Monument Butte Field SOP.

Reserve Pit Liner

A felt pad and 12 mil liner is required. Please refer to the Monument Butte Field SOP.

Location and Reserve Pit Reclamation

Please refer to the Monument Butte Field SOP.

The following seed mixture will be used on the topsoil stockpile, the recontoured surface of the reserve pit, and for final reclamation: (All poundages are in pure live seed)

| | | |
|---------------------|------------------------------|------------|
| Fourwing Saltbush | <i>Atriplex canescens</i> | 4 lbs/acre |
| Gardner Saltbush | <i>Atriplex gardneri</i> | 4 lbs/acre |
| Scarlet Globemallow | <i>Sphaeralcea conccinea</i> | 1 lbs/acre |
| Indian Ricegrass | <i>Oryzopsis hymenoides</i> | 3 lbs/acre |

13. **LESSEE'S OR OPERATORS REPRESENTATIVE AND CERTIFICATION**

Representative

Name: Brad Mecham
Address: Route #3 Box 3630
Myton, UT 84052
Telephone: (435) 646-3721

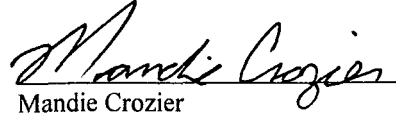
Certification

Please be advised that INLAND PRODUCTION COMPANY is considered to be the operator of well #4-10-9-17 NW/NW Section 10, Township 9S, Range 17E: Lease UTU-65210 Duchesne County, Utah: and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by Hartford Accident #4488944.

I hereby certify that the proposed drillsite and access route have been inspected, and I am familiar with the conditions which currently exist; that the statements made in this plan are true and correct to the best of my knowledge; and that the work associated with the operations proposed here will be performed by Inland Production Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

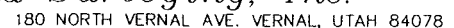
10/2/03

Date



Mandie Crozier
Regulatory Specialist

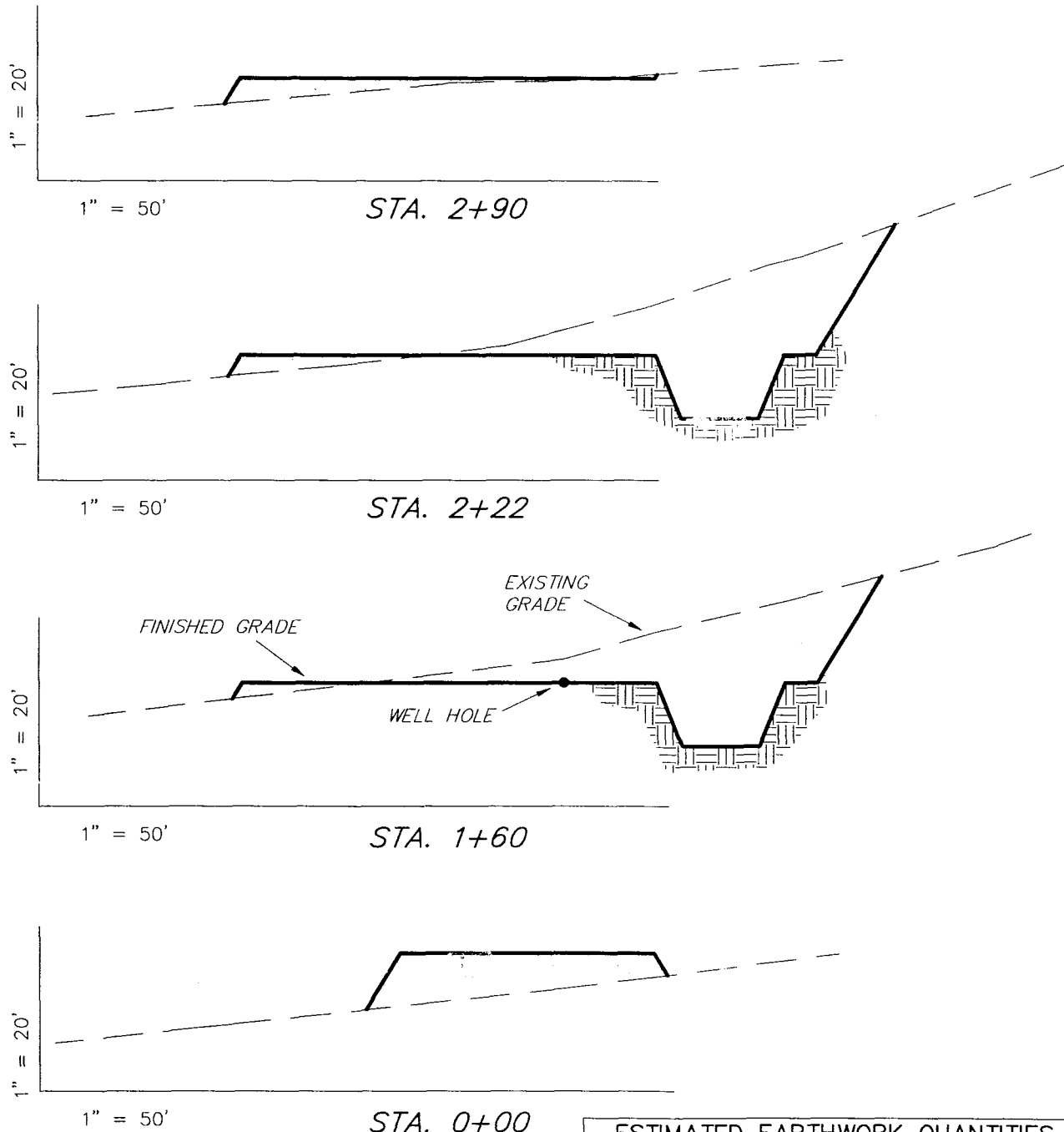
BLACKJACK UNIT 4-10
Section 10, T9S, R17E, S.L.B.&M.



INLAND PRODUCTION COMPANY

CROSS SECTIONS

BLACKJACK UNIT 4-10



ESTIMATED EARTHWORK QUANTITIES
 (No Shrink or swell adjustments have been used)
 (Expressed in Cubic Yards)

| ITEM | CUT | FILL | 6" TOPSOIL | EXCESS |
|--------|-------|-------|------------------------------------|--------|
| PAD | 3,160 | 3,160 | Topsoil is not included in Pad Cut | 0 |
| PIT | 640 | 0 | | 640 |
| TOTALS | 3,800 | 3,160 | 790 | 640 |

NOTE:
 UNLESS OTHERWISE NOTED
 ALL CUT/FILL SLOPES ARE
 AT 1.5:1

SURVEYED BY: D.J.S.

SCALE: 1" = 50'

DRAWN BY: J.R.S.

DATE: 8-28-03

(435) 781-2501

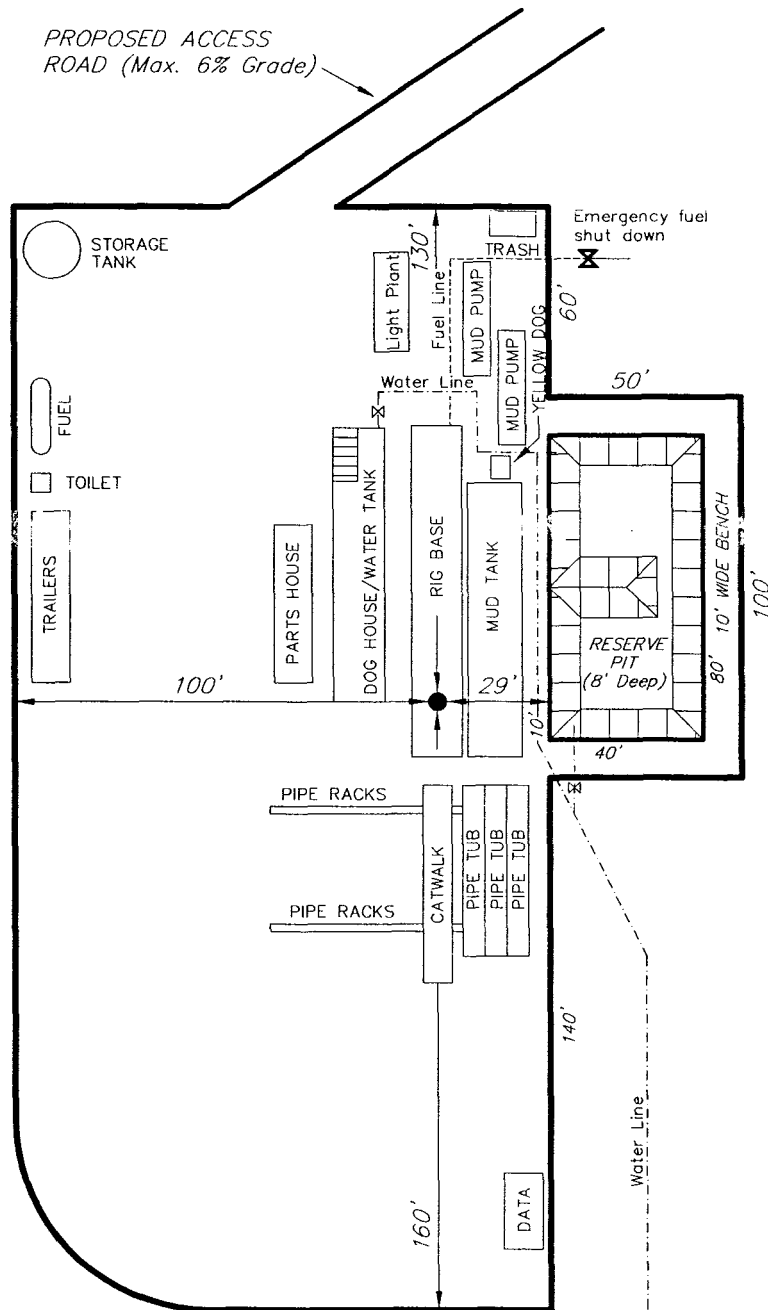
Tri State
 Land Surveying, Inc.
 180 NORTH VERNAL AVE. VERNAL, UTAH 84078

INLAND PRODUCTION COMPANY

TYPICAL RIG LAYOUT

BLACKJACK UNIT 4-10

PROPOSED ACCESS
ROAD (Max. 6% Grade)



SURVEYED BY: D.J.S.

SCALE: 1" = 50'

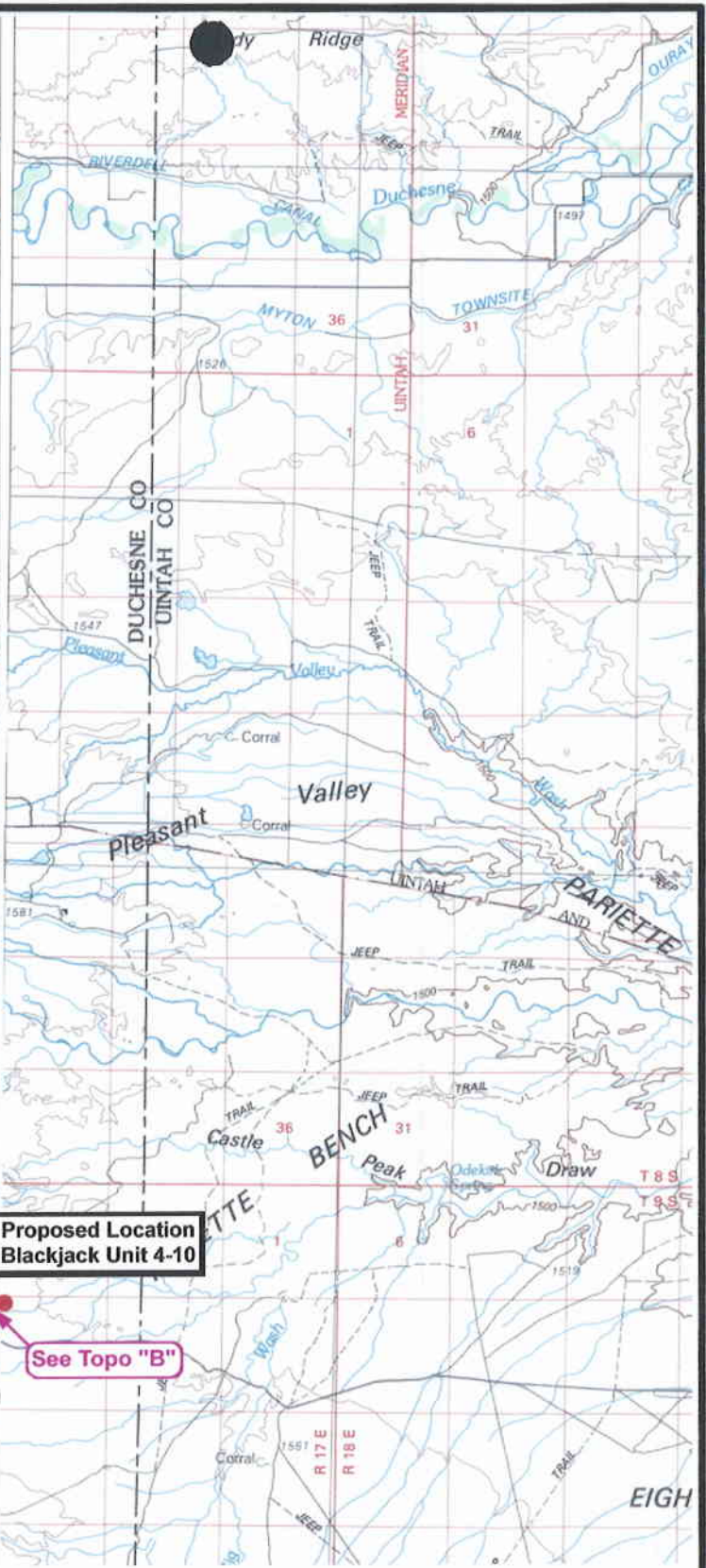
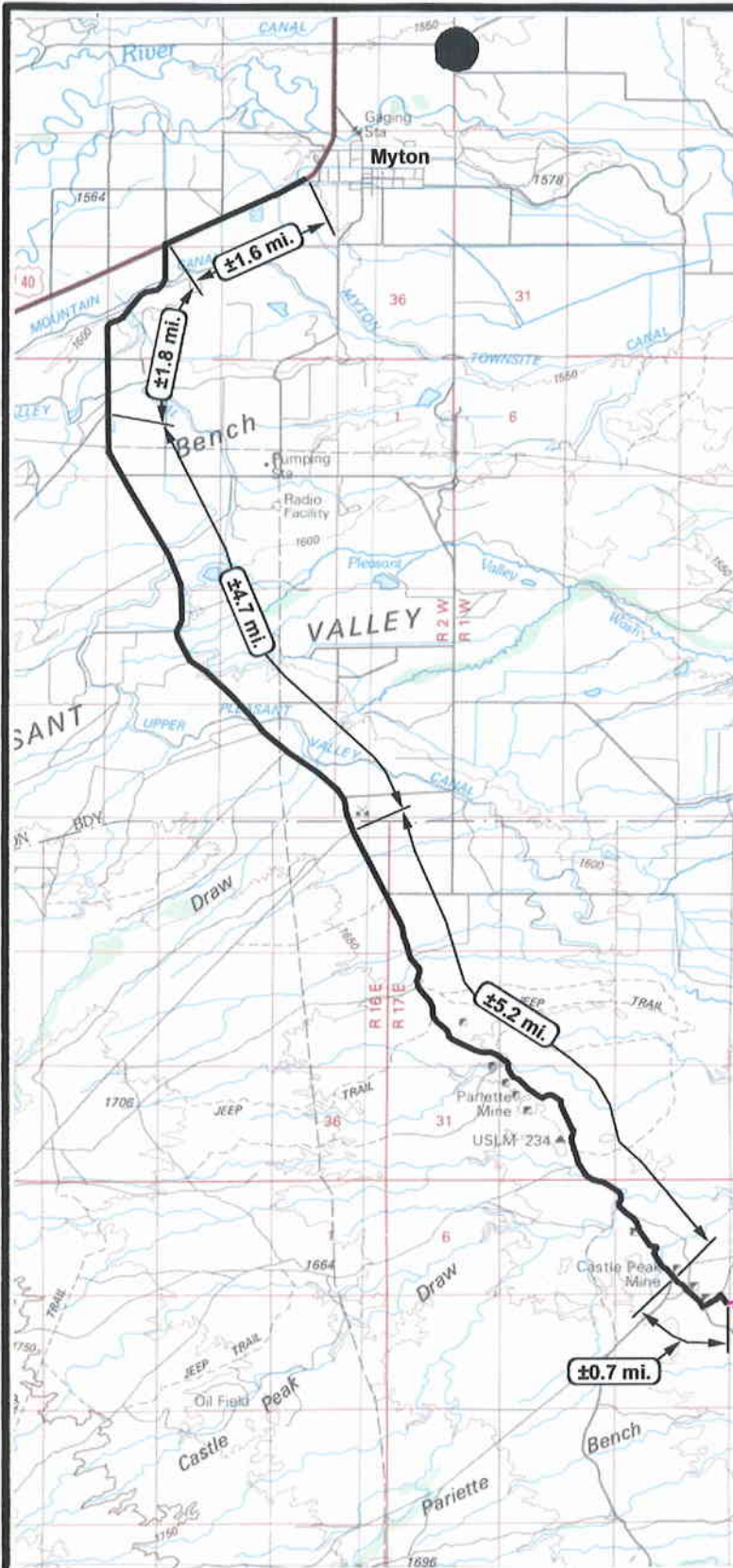
DRAWN BY: J.R.S.

DATE: 8-28-03

Tri State
Land Surveying, Inc.

(435) 781-2501

180 NORTH VERNAL AVE. VERNAL, UTAH 84078



Blackjack Unit 4-10
SEC. 10, T9S, R17E, S.L.B.&M.



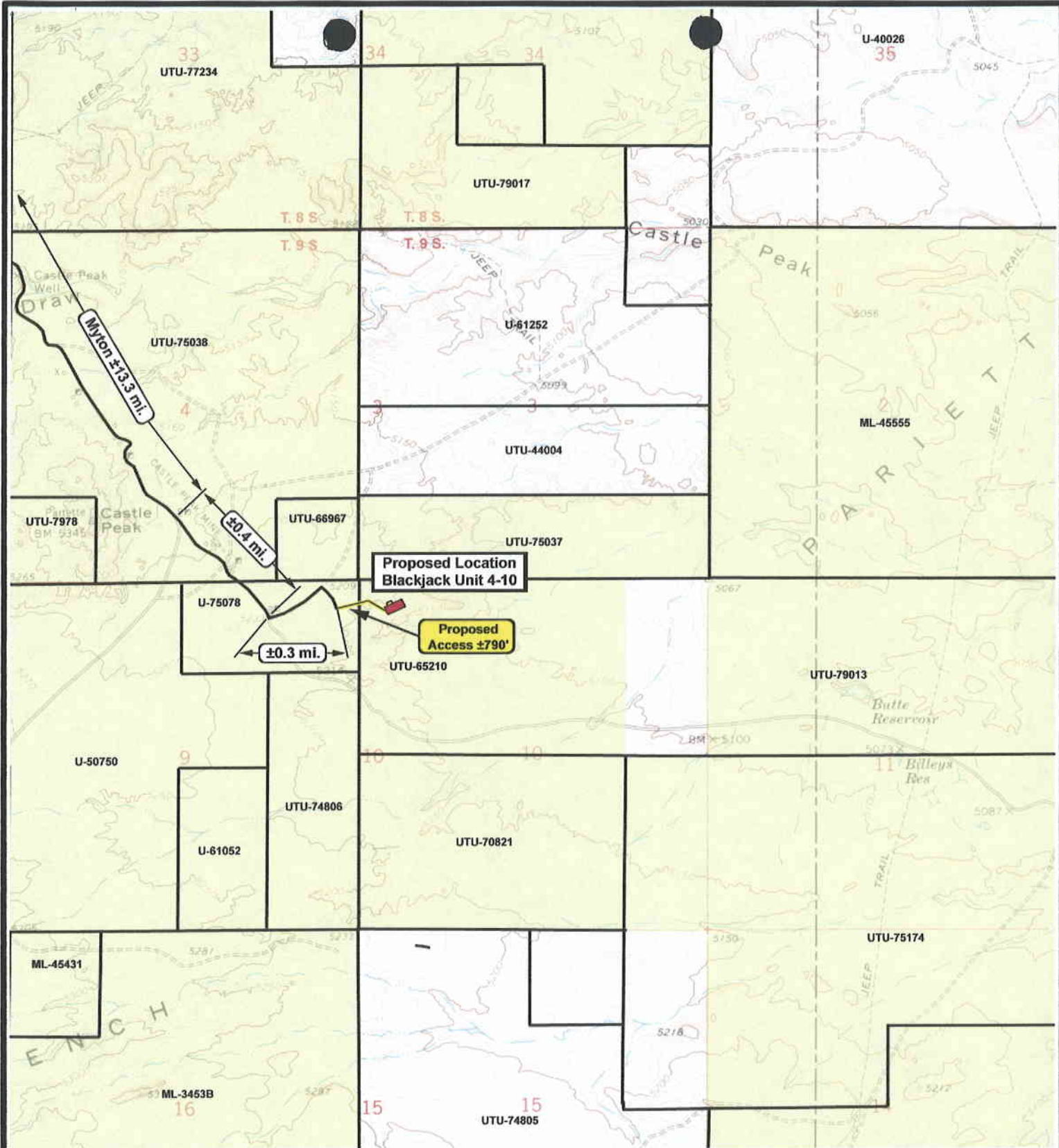
Tri-State
Land Surveying Inc.
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1 = 100,000
DRAWN BY: R.A.B.
DATE: 08-22-2003

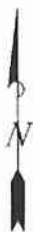
Legend
Existing Road
Proposed Access

TOPOGRAPHIC MAP

"A"



Blackjack Unit 4-10
SEC. 10, T9S, R17E, S.L.B.&M.



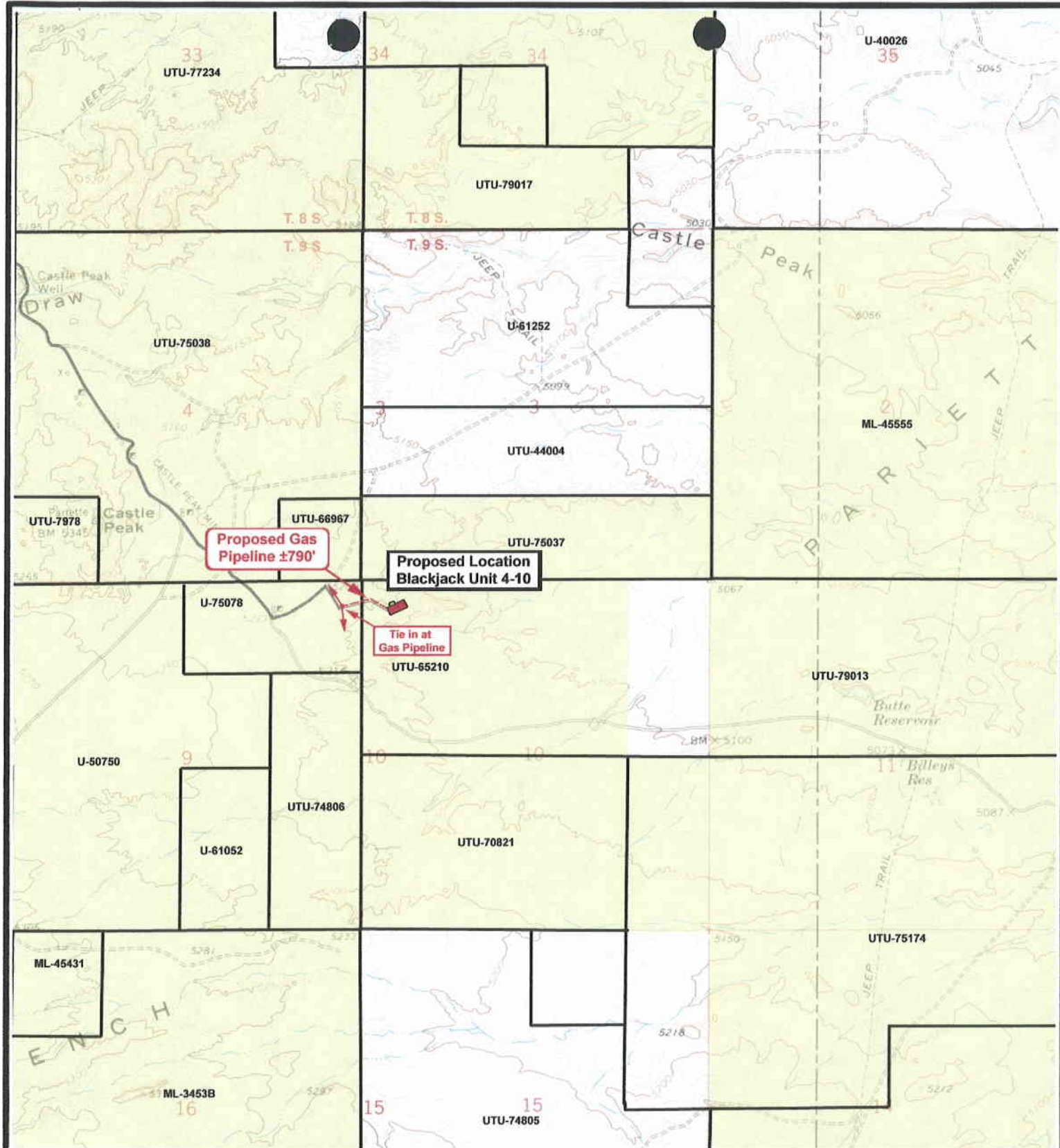
Tri-State
Land Surveying Inc.
 (435) 781-2501
 180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'
 DRAWN BY: R.A.B.
 DATE: 08-22-2003

Legend
 Existing Road
 Proposed Access

TOPOGRAPHIC MAP

"B"



Blackjack Unit 4-10
SEC. 10, T9S, R17E, S.L.B.&M.



Tri-State
Land Surveying Inc.
 (435) 781-2501
 180 North Vernal Ave., Vernal, Utah 84078

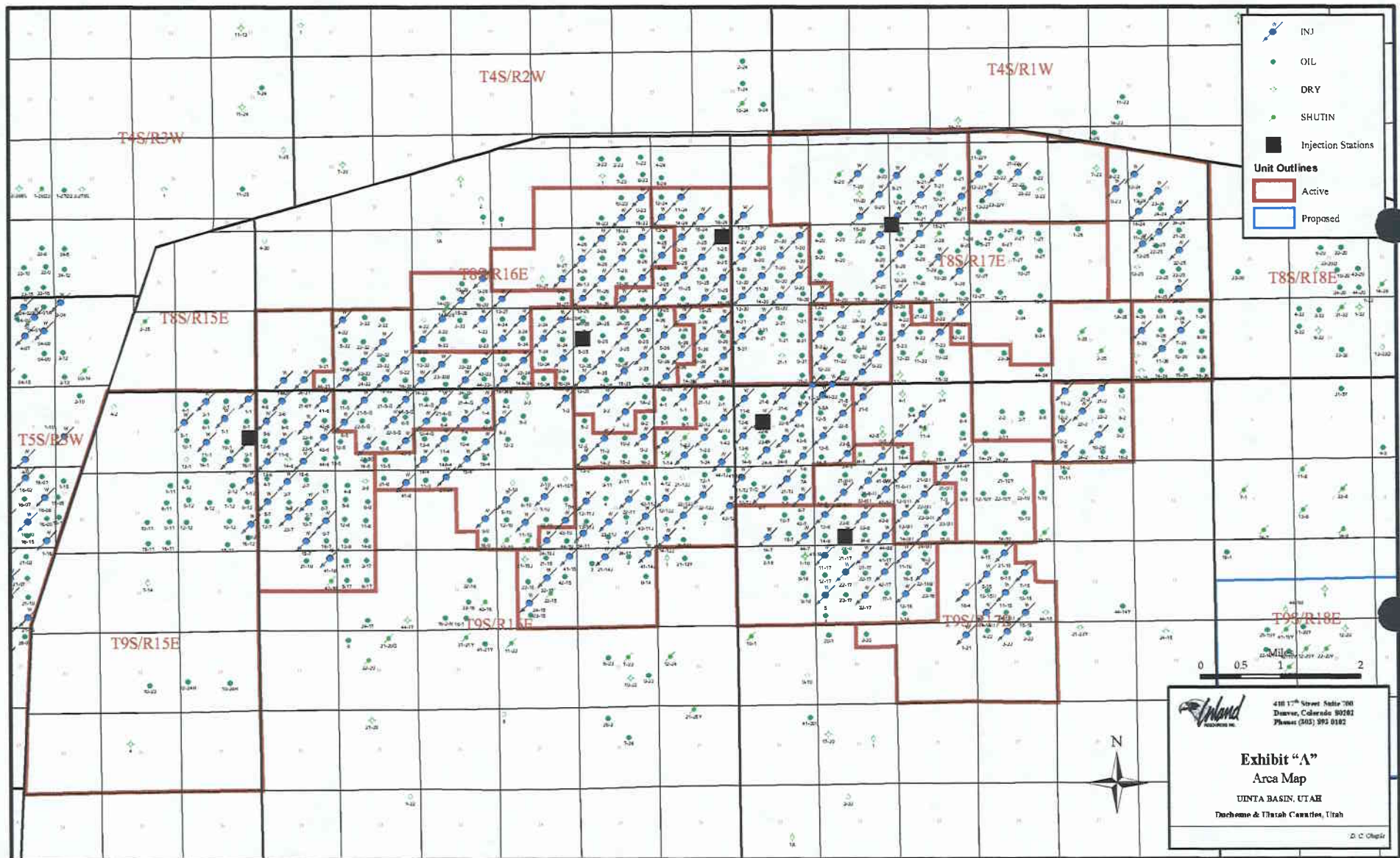
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 DRAWN BY: R.A.B.
 DATE: 08-22-2003

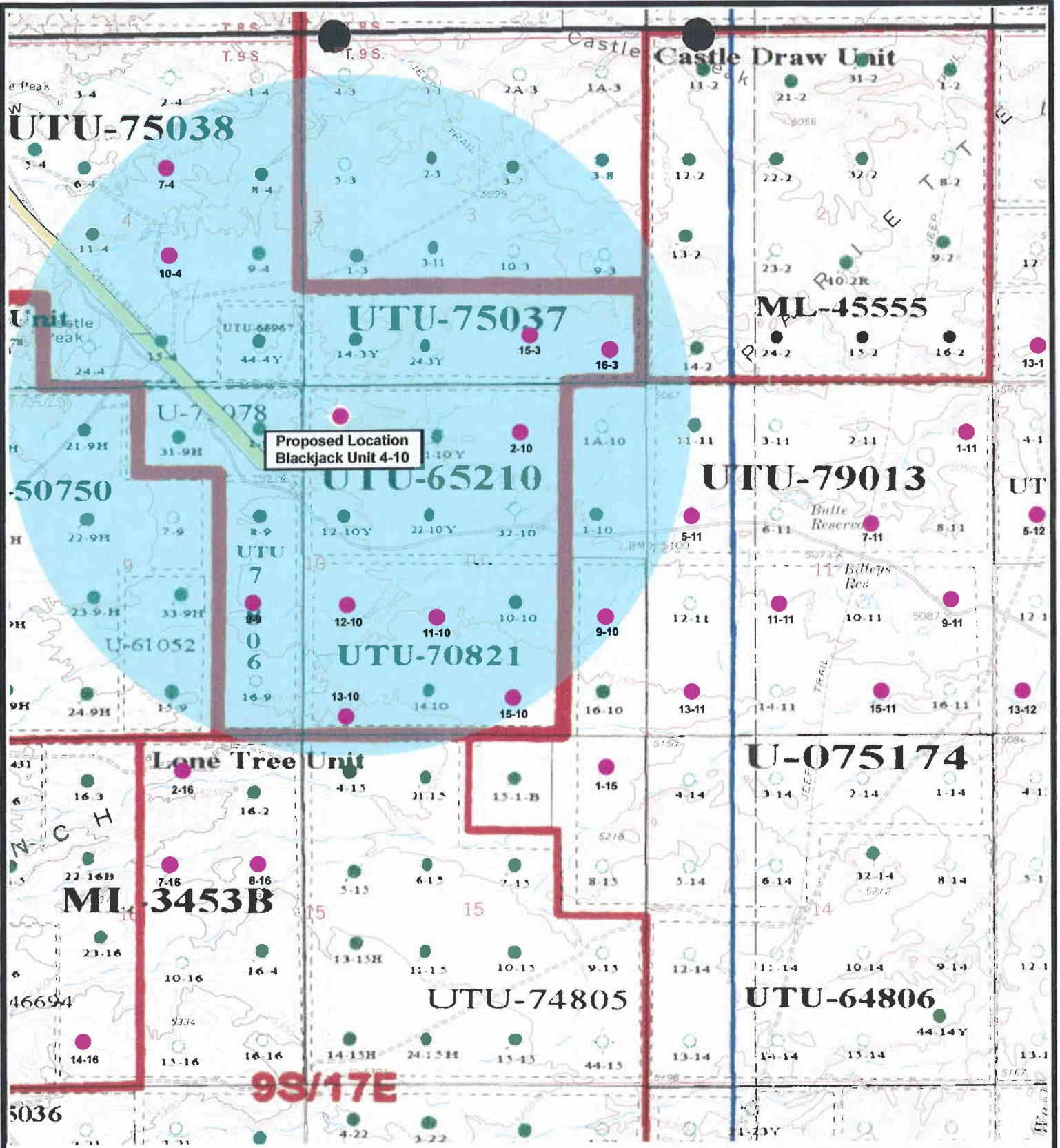
Legend

- Roads
- Existing Gas Line
- Proposed Gas Line

TOPOGRAPHIC MAP

"C"





Blackjack Unit 4-10
SEC. 10, T9S, R17E, S.L.B.&M.



Tri-State
Land Surveying Inc.
 (435) 781-2501
 180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'
 DRAWN BY: R.A.B.
 DATE: 08-22-2002

Legend

- Well Locations
- One-Mile Radius

Exhibit "B"

2-M SYSTEM

Blowout Prevention Equipment Systems

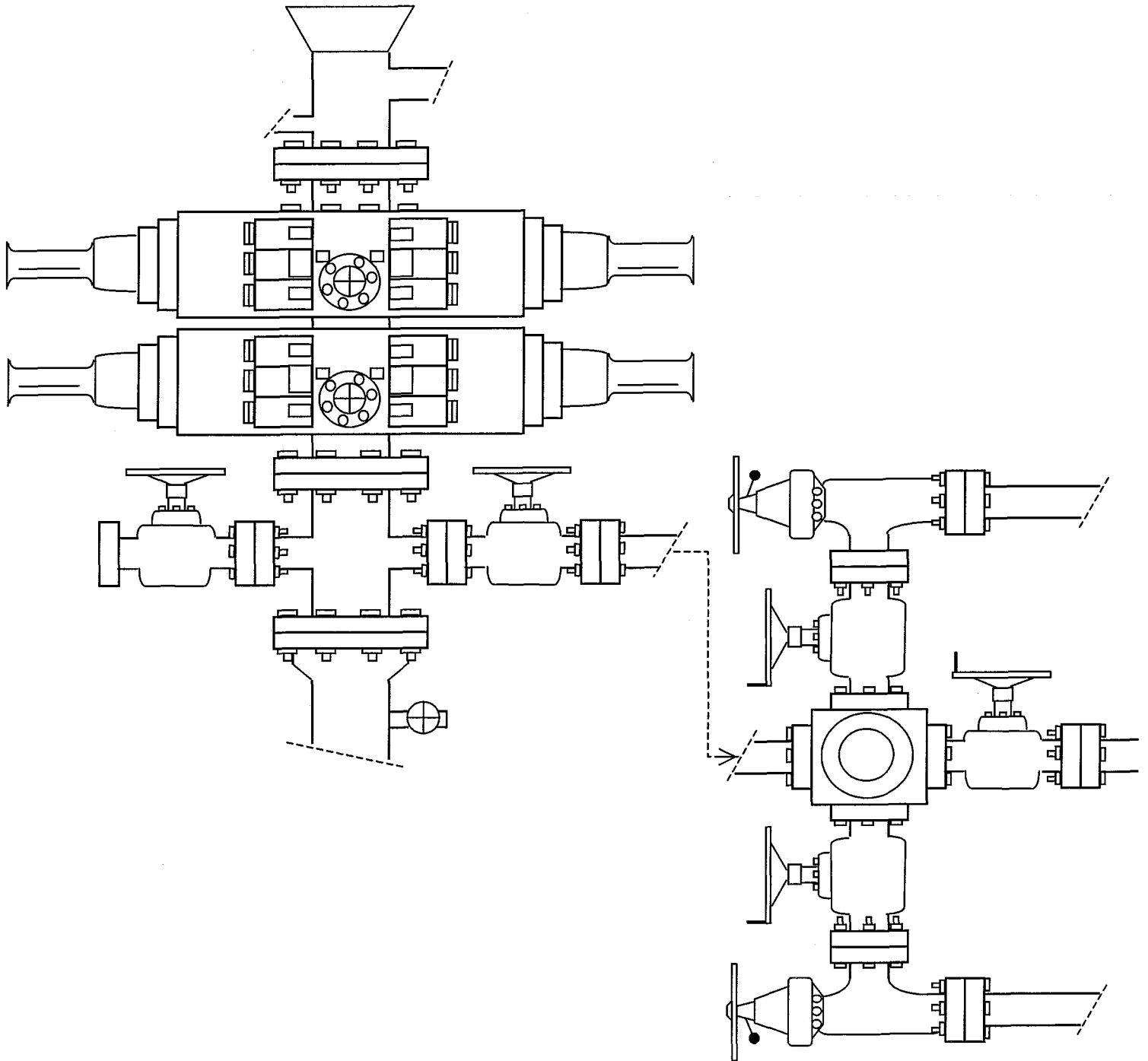


EXHIBIT C

A CULTURAL RESOURCE INVENTORY
IN THE SECOND PORTION OF THE BLACK JACK UNIT BLOCK AREA,
DUCHESNE COUNTY, UTAH

by

Ann S. Polk
Senior Archaeologist

and

Danielle J. Diamond
Assistant Archaeologist

Prepared for:

Inland Production Company
P.O. Box 790233
Vernal, Utah 84079-0233

Prepared by:

Sagebrush Consultants, L.L.C.
3670 Quincy Avenue, Suite 203
Ogden, Utah 84403

Under Authority of Cultural Resources Use Permit No. 97-UT-54630

and

Utah State Antiquities Permit No. U-98-SJ-0217b

Archaeological Report No. 1053-01

June 26, 1998

PALEONTOLOGICAL FIELD SURVEY REPORT
INLAND PRODUCTION COMPANY
BLACKJACK UNIT
SECTIONS 3, 4, 5, 9, AND 10
TOWNSHIP 9 SOUTH, RANGE 17 EAST
DUCHESNE COUNTY, UTAH

March 19, 1998

Uinta #48-3

UINTA



PALEO

BY

SUE ANN BILBEY, Ph.D.
GEOLOGIST AND PALEONTOLOGIST
UINTA PALEONTOLOGICAL ASSOCIATES
446 SOUTH 100 WEST
VERNAL, UTAH 84078
801-789-1033

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 10/03/2003

API NO. ASSIGNED: 43-013-32507

WELL NAME: BLACKJACK FED 4-10-9-17

OPERATOR: INLAND PRODUCTION (N5160)

CONTACT: MANDIE CROZIER

PHONE NUMBER: 435-646-3721

PROPOSED LOCATION:

NWNW 10 090S 170E

SURFACE: 0398 FNL 0520 FWL

BOTTOM: 0398 FNL 0520 FWL

DUCHESNE

MONUMENT BUTTE (105)

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-65210

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: GRRV

INSPECT LOCATN BY: / /

| Tech Review | Initials | Date |
|-------------|----------|------|
| Engineering | | |
| Geology | | |
| Surface | | |

LATITUDE: 40.05160

LONGITUDE: 109.99969

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. 4488944)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. MUNICIPAL)
☒ RDCC Review (Y/N)
(Date:)
☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

___ R649-2-3.
Unit BLACKJACK (GR)
___ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
___ R649-3-3. Exception
☒ Drilling Unit
Board Cause No: 234-2
Eff Date: 12-22-99
Siting: Suspends General Siting
___ R649-3-11. Directional Drill

COMMENTS:

(Sop, Separate file)

STIPULATIONS:

1- Federal approval



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5340 telephone
(801) 359-3940 fax
(801) 538-7223 TTY
www.nr.utah.gov

Michael O. Leavitt
Governor
Robert L. Morgan
Executive Director
Lowell P. Braxton
Division Director

October 14, 2003

Inland Production Company
Rt. #3, Box 3630
Myton, UT 84052


Re: Blackjack Federal 4-10-9-17 Well, 398' FNL, 520' FWL, NW NW, Sec. 10, T. 9 South,
R. 17 East, Duchesne County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-013-32507.

Sincerely,


(for) John R. Baza
Associate Director

pab
Enclosures

cc: Duchesne County Assessor
Bureau of Land Management, Vernal District Office

Operator: Inland Production Company
Well Name & Number Blackjack Federal 4-10-9-17
API Number: 43-013-32507
Lease: UTU-65210

Location: NW NW Sec. 10 T. 9 South R. 17 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.



November 21, 2003

Mrs. Diana Whitney
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114

RECEIVED

NOV 28 2003

DIV. OF OIL, GAS & MINING

RE: Application for Location Exception
~~Blackjack~~ Federal #4-10-9-17
T9S, R17E, S.L.M.
Section 10: NW/4NW/4 (398' FNL 520' FWL)
Uintah County, Utah

Dear Mrs. Whitney:

Inland Production Company hereby requests administrative approval for a location exception to Rule R649-3-2 governing the location of wells.

Said Rule states that every well should be in the center of the 40-acre quarter/quarter section with a 200-foot tolerance. The captioned well is proposed to be drilled approximately 62' outside of the prescribed 400 foot window due to the local topography.

Said well remains more than 520' from the lease boundary as shown on the attached plat

We have contacted the other working interest owners of the lease, Yates Petroleum Corporation, Yates Drilling Company, Abo Petroleum Corporation and Myco Industries, Inc., and their consent to this location exception is attached. Also enclosed is a copy of the surveyor's plat. Please contact Mr. Gary Alsobrook if you have any questions.

Sincerely yours,

INLAND PRODUCTION COMPANY

Patsy Barreau
Supervisor of Land

CC: Ms. Pat Sutton
Bureau of Land Management
170 South 500 East
Vernal Utah 84078-2799

Form 3160-3
(September 2001)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

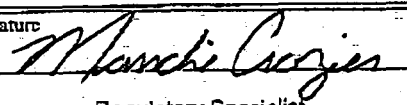
FORM APPROVED
OMB No. 1004-0136
Expires January 31, 2004

| | | |
|--|---|---|
| 1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER | | 5. Lease Serial No. UTU-65210 |
| 1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone | | 6. If Indian, Allottee or Tribe Name N/A |
| 2. Name of Operator Inland Production Company | | 7. If Unit or CA Agreement, Name and No. BlackJack Unit |
| 3a. Address Route #3 Box 3630, Myton UT 84052 | | 8. Lease Name and Well No. BlackJack Federal 4-10-9-17 |
| 3b. Phone No. (include area code) (435) 646-3721 | | 9. API Well No. 43-013-32507 |
| 4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface NW/NW 398' FNL 520' FWL At proposed prod. zone | | 10. Field and Pool, or Exploratory Monument Butte |
| 14. Distance in miles and direction from nearest town or post office* Approximately 14.0 miles southeast of Myton, Utah | | 11. Sec., T., R., M., or Blk. and Survey or Area NW/NW Sec. 10, T9S R17E |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) Approx. 398' (lase, 1718' (lume) | 16. No. of Acres in lease 240.00 | 17. Spacing Unit dedicated to this well 40 Acres |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. Approx. 2009' | 19. Proposed Depth 6500' | 20. BLM/BIA Bond No. on file #4488944 |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5195' GR | 22. Approximate date work will start* 1st Quarter 2004 | 23. Estimated duration Approximately seven (7) days from start to rig release. |

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

| | | |
|--|--|-----------------|
| 25. Signature  | Name (Printed/Typed) Mandie Crozier | Date 10/2/03 |
| Title Regulatory Specialist | | |
| Approved by (Signature) | Name (Printed/Typed) | Date |
| Title | Office | |

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

INLAND PRODUCTION COMPANY

10/06/2003 09:27 4356463031



Aene Stewart
REGISTERED LAND SURVEYOR
REGISTRATION NO. 144
STATE OF UTAH

180 NORTH VERNAL AVE. - VERNAL, UTAH 84078
(435) 781-2501

PAGE 03

 = SECTION CORNERS LOCATED

BASIS OF ELEV; U.S.G.S. 7-1/2 min QUAD (PARIETTE DRAW SW)

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (505) 748-1471

S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

November 20, 2003

Via: Facsimile (303-893-0103)

Inland Production Company
Attn: Patsy Barreau
410 - 17th Street, Suite 700
Denver, CO 80202

Re: Exception Locations
Federal #3-12-9-17
Federal #9-1-9-17
Federal #15-1-9-17
Federal #4-10-9-17

Gentlemen:

Yates Petroleum Corporation, Yates Drilling Company, Abo Petroleum Corporation and Myco Industries, Inc. hereby consent to the requested location exceptions for the captioned wells.

If you have any questions or require anything further, please do not hesitate contacting me at 505-748-4334.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

Bonnie Floore
Associate Landman

007

9

Form 3160-3
(September 2001)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0136
Expires January 31, 2004

| | | |
|--|---|--|
| 1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER | | 5. Lease Serial No. UTU-65210 |
| 1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone | | 6. If Indian, Allottee or Tribe Name N/A |
| 2. Name of Operator Inland Production Company | | 7. If Unit or CA Agreement, Name and No. BlackJack Unit |
| 3a. Address Route #3 Box 3630, Myton UT 84052 | | 8. Lease Name and Well No. BlackJack Federal 4-10-9-17 |
| 3b. Phone No. (include area code) (435) 646-3721 | | 9. API Well No. 43-013-32507 |
| 4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface NW/NW 398' FNL 520' FWL At proposed prod. zone | | 10. Field and Pool, or Exploratory Monument Butte |
| 14. Distance in miles and direction from nearest town or post office* Approximatley 14.0 miles southeast of Myton, Utah | | 11. Sec., T., R., M., or Blk. and Survey or Area NW/NW Sec. 10, T9S R17E |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) Approx. 398' f/ise, 1718' f/unit | 16. No. of Acres in lease 240.00 | 17. Spacing Unit dedicated to this well 40 Acres |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. Approx. 2009' | 19. Proposed Depth 6500' | 20. BLM/BIA Bond No. on file #4488944 |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5195' GR | 22. Approximate date work will start* 1st Quarter 2004 | 23. Estimated duration Approximately seven (7) days from spud to rig release. |

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification.
- Such other site specific information and/or plans as may be required by the authorized officer.

| | | |
|---|---|-----------------|
| 25. Signature <i>Mandie Crozier</i> | Name (Printed/Typed) Mandie Crozier | Date 10/2/03 |
| Title Regulatory Specialist | | |
| Approved by (Signature) <i>Edwin I. Forsman</i> | Name (Printed/Typed) EDWIN I FORSMAN | Date 4/8/04 |
| Title Assistant Field Manager Mineral Resources | Office | |

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

NOTICE OF APPROVAL

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

RECEIVED

APR 15 2004

DIV. OF OIL, GAS & MINING

CONDITIONS OF APPROVAL ATTACHED

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Inland Production Company
Well Name & Number: BLACKJACK FEDERAL 4-10-9-17
API Number: 43-013-32507
Lease Number: UTU - 65210
Location: NWNW Sec. 10 TWN: 09S RNG: 17E
Agreement: BlackJack Unit

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Submit an electronic copy of all logs run on this well in LAS format. This submission will replace the requirement for submittal of paper logs to the BLM.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

1. Casing Program and Auxiliary Equipment

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the top of the Green River Formation, identified at $\pm 2,241$ ft.

CONDITIONS OF APPROVAL
FOR THE SURFACE USE PROGRAM OF THE
APPLICATION FOR PERMIT TO DRILL

-A BLM approved paleontologist shall monitor all areas of bedrock exposure during the construction of the access road and well pad.

-Due to the concentration of raptor nests in the area, a hospital muffler or multi-cylinder engine shall be installed on the pumping unit to reduce noise levels in the area.

-The reserve pit shall be lined with felt prior to installing the one piece, nylon reinforced plastic liner.

DIVISION OF OIL, GAS AND MINING**SPUDDING INFORMATION**Name of Company: INLAND PRODUCTION COMPANYWell Name: BLACKJACK FED 4-10-9-7Api No: 43-013-32507 Lease Type: FEDERALSection 10 Township 09S Range 17E County DUCHESNEDrilling Contractor ROSS DRILLING RIG # 15**SPUDDED:**Date 06/18/04Time 9:00 AMHow DRY**Drilling will commence:** _____Reported by FLOYD MITCHELLTelephone # 1-435-823-3610Date 06/24/2004 Signed CHD

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

011

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

INLAND PRODUCTION COMPANY

3. Address and Telephone No.

Rt. 3 Box 3630, Myton Utah, 84052 435-646-3721

4. Location of Well (Footage, Sec., T., R., m., or Survey Description)

398 FNL 520 FWL NW/NW Section 10, T9S R17E

5. Lease Designation and Serial No.

UTU-65210

6. If Indian, Allottee or Tribe Name

NA

7. If Unit or CA, Agreement Designation

BLACKJACK

8. Well Name and No.

BLACKJACK FEDERAL 4-10-9-17

9. API Well No.

507
43-013-32402

10. Field and Pool, or Exploratory Area

MONUMENT BUTTE

11. County or Parish, State

DUCHESNE COUNTY, UT

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Weekly Status Report

☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

On 07/14/04. MIRU EDSI rig # 2. Set equipment. Pressure test Bop's, Kelly, & TIW to 2,000 psi. Test 85/8" csgn to 1,500 psi. Vernal BLM office was notified of test. PU BHA and tag cement @ 260'. Drill out cement & shoe. Continue to drill a 77/8" hole with fresh water to a depth of 5875'. Lay down drill string, BHA. Open hole log from TD to surface. PU & MU guide shoe, 1 jt 51/2" J-55 15.5 # csgn. Float collar, & 138 Jt's 51/2" J-55 15.5# csgn. Set @ 5858' KB. Cement with 325 sks Prem Lite II w/ 3% KCL, 10% Gel, 3#"s sk CSE, 2#"s sk Kolseal, 5% Sms, 1/4# sks Celloflake. Mixed @ 11.0 ppg, >3.43 yld. Followed by 450 sks 50/50 Poz w/ 3% KCL, 2% Gel, .05% Static free, 1/4# sk Celloflake .3%SM. Mixed @ 14.4 ppg, > 1.24 yld. Good returns with 65of 65 BBLS dye water to pit. Nipple down BOP's. Drop slips @ 85,000 # 's tension. Clean pit's & release rig @ 1:00 pm on 07-21-04.

14. I hereby certify that the foregoing is true and correct

Signed

Ray Herrera
Ray Herrera

Title

Drilling Foreman

Date

July 21 2004

CC: UTAH DOGM

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

CC: Utah DOGM

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

RECEIVED
JUL 26 2004

DIV. OF OIL, GAS & MINING

INLAND PRODUCTION COMPANY - CASING & CEMENT REPORT

| | |
|---|---|
| LAST CASING <u>8 5/8"</u> SET AT <u>303.15'</u> DATUM <u>12' KB</u> DATUM TO CUT OFF CASING <u>12</u> DATUM TO BRADENHEAD FLANGE _____ TD DRILLER <u>5875'</u> LOGGER <u>5873'</u> HOLE SIZE <u>7 7/8"</u> | CASING SET AT <u>5858.15</u> Flt cllr @ <u>5826.67</u> OPERATOR <u>Inland Production Company</u> WELL <u>Black Jack 4-10-9-17</u> FIELD/PROSPECT <u>Monument Butte</u> CONTRACTOR & RIG # <u>Eagle # 2</u> |
|---|---|

| LOG OF CASING STRING: | | | | | | | |
|---|---------------|---|---------------------|---|------------|----------|----------------|
| PIECES | OD | ITEM - MAKE - DESCRIPTION | WT / FT | GRD | THREAD | CONDT | LENGTH |
| | | Landing Jt | | | | | 14 |
| | | 6.05' @ 4078' | | | | | |
| 138 | 5 1/2" | IPS LT & C casing | 15.5# | J-55 | 8rd | A | 5826.67 |
| | | Float collar | | | | | 0.6 |
| 1 | 5 1/2" | Maverick LT&C csg | 15.5# | J-55 | 8rd | A | 18.23 |
| | | GUIDE shoe | | | 8rd | A | 0.65 |
| CASING INVENTORY BAL. | | FEET | JTS | TOTAL LENGTH OF STRING | | | 5860.15 |
| TOTAL LENGTH OF STRING | | 5860.15 | 139 | LESS CUT OFF PIECE | | | 14 |
| LESS NON CSG. ITEMS | | 15.25 | | PLUS DATUM TO T/CUT OFF CSG | | | 12 |
| PLUS FULL JTS. LEFT OUT | | 169.04 | 4 | CASING SET DEPTH | | | 5858.15 |
| TOTAL | | 6013.94 | 143 | } COMPARE | | | |
| TOTAL CSG. DEL. (W/O THRDS) | | 6013.94 | 143 | | | | |
| TIMING | | 1ST STAGE | 2nd STAGE | | | | |
| BEGIN RUN CSG. | | | 7/21/2004 | GOOD CIRC THRU JOB <u>yes</u> | | | |
| CSG. IN HOLE | | | 7/21/2004 | Bbls CMT CIRC TO SURFACE <u>65 of 65 bbls dye water</u> | | | |
| BEGIN CIRC | | 5:00 AM | 7/21/2004 | RECIPROCATED PIPE I N/A <u>THRUSTROKE</u> | | | |
| BEGIN PUMP CMT | | 7:09 AM | 7/21/2004 | DID BACK PRES. VALVE HOLD ? <u>Yes</u> | | | |
| BEGIN DSPL. CMT | | 8:02 AM | 7/21/2004 | BUMPED PLUG TO <u>1462</u> PSI | | | |
| PLUG DOWN | | 8:20 AM | 7/21/2004 | | | | |
| CEMENT USED | | CEMENT COMPANY- B. J. | | | | | |
| STAGE | # SX | CEMENT TYPE & ADDITIVES | | | | | |
| 1 | 325 | Premlite II w/ 10% gel + 3 % KCL, 3#s /sk CSE + 2# sk/kolseal + 1/2#s/sk Cello Flake | | | | | |
| | | mixed @ 11.0 ppg W / 3.43 cf/sk yield | | | | | |
| 2 | 425 | 50/50 poz W/ 2% Gel + 3% KCL, .5%EC1, 1/4# sk C.F. 2% gel. 3% SM mixed @ 14.4 ppg W/ 1.24 YLD | | | | | |
| CENTRALIZER & SCRATCHER PLACEMENT | | | SHOW MAKE & SPACING | | | | |
| Centralizers - Middle first, top second & third. Then every third collar for a total of 20. | | | | | | | |
| | | | | | | | |
| | | | | | | | |

COMPANY REPRESENTATIVE Ray Herrera DATE 7/21/2004

RECEIVED
JUL 26 2004
DIV OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

0-10

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

INLAND PRODUCTION COMPANY

3. Address and Telephone No.

Rt. 3 Box 3630, Myton Utah, 84052 435-646-3721

4. Location of Well (Footage, Sec., T., R., m., or Survey Description)

398 FNL 520 FWL NW/NW Section 10, T9S R17E

5. Lease Designation and Serial No.

UTU-65210

6. If Indian, Allottee or Tribe Name

NA

7. If Unit or CA, Agreement Designation

BLACKJACK

8. Well Name and No.

BLACKJACK FEDERAL 4-10-9-17

9. API Well No.

43-013-32507

10. Field and Pool, or Exploratory Area

MONUMENT BUTTE

11. County or Parish, State

DUCHESNE COUNTY, UT

12. **CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION

☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other **Spud Notice**

☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

On 6-18-04 MIRU Ross # 15. Spud well @ 9:00 am Drill 307' of 12 1/4" hole with air mist. TIH W/ 7 It's 8 5/8" J-55 24 # csgn. Set @ 314.54' KB On 6-24-04 cement with 150 sks of class "G" w/ 3% CaCL2 + 1/4# sk Cello- Flake Mixed @ 15.8 ppg > 1.17 cf/ sk yeild. Returned 2 bbls cement to pit. WOC.

14. I hereby certify that the foregoing is true and correct

Signed Ray Herrera Title Drilling Foreman Date 6/26/2004
Ray Herrera

CC: UTAH DOGM

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

CC: Utah DOGM

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RECEIVED

JUN 29 2004

DIV. OF OIL, GAS & MINING

INLAND PRODUCTION COMPANY - CASING & CEMENT REPORT

8 5/8 CASING SET AT 313.08

LAST CASING 8 5/8" SET AT 313'
 DATUM 12' KB
 DATUM TO CUT OFF CASING _____
 DATUM TO BRADENHEAD FLANGE _____
 TD DRILLER 307 LOGGER _____
 HOLE SIZE 12 1/4

OPERATOR Inland Production Company
 WELL Black Jack 4-10-9-17
 FIELD/PROSPECT Monument Butte
 CONTRACTOR & RIG # Ross # 15

LOG OF CASING STRING:

| PIECES | OD | ITEM - MAKE - DESCRIPTION | WT / FT | GRD | THREAD | CONDT | LENGTH |
|-----------------------------|--------|---------------------------|-----------|-----------------------------|-----------------------------|-------|--------|
| | | | | | | | |
| | | | | | | | |
| | | 41.30' SH jt | | | | | |
| | | WHI - 92 csg head | | | 8rd | A | 0.95 |
| 7 | 8 5/8" | Maverick ST&C csg | 24# | J-55 | 8rd | A | 301.23 |
| | | GUIDE shoe | | | 8rd | A | 0.9 |
| CASING INVENTORY BAL. | | FEET | JTS | TOTAL LENGTH OF STRING | | | |
| TOTAL LENGTH OF STRING | | 303.08 | 7 | LESS CUT OFF PIECE | | | |
| LESS NON CSG. ITEMS | | 1.85 | | PLUS DATUM TO T/CUT OFF CSG | | | |
| PLUS FULL JTS. LEFT OUT | | 0 | | CASING SET DEPTH | | | |
| TOTAL | | 301.23 | 7 | | | | |
| TOTAL CSG. DEL. (W/O THRDS) | | 301.23 | 7 | } COMPARE | | | |
| TIMING | | 1ST STAGE | | | | | |
| BEGIN RUN CSG. | | Spud | 6/18/2004 | 9:00 AM | GOOD CIRC THRU JOB | | |
| CSG. IN HOLE | | | | | Bbls CMT CIRC TO SURFACE | | |
| BEGIN CIRC | | | | | RECIPROCATED PIPE IN/A | | |
| BEGIN PUMP CMT | | | | | DID BACK PRES. VALVE HOLD ? | | |
| BEGIN DSPL. CMT | | | | | BUMPED PLUG TO | | |
| PLUG DOWN | | Cemented | 6/24/2004 | | 480 | | |

| | | | | | | | |
|-----------------------------|--|-----------|-----------|-----------|-----------------------------|--|--|
| TOTAL | | 301.23 | 7 | | | | |
| TOTAL CSG. DEL. (W/O THRDS) | | 301.23 | 7 | } COMPARE | | | |
| TIMING | | 1ST STAGE | | | | | |
| BEGIN RUN CSG. | | Spud | 6/18/2004 | 9:00 AM | GOOD CIRC THRU JOB | | |
| CSG. IN HOLE | | | | | Bbls CMT CIRC TO SURFACE | | |
| BEGIN CIRC | | | | | RECIPROCATED PIPE IN/A | | |
| BEGIN PUMP CMT | | | | | DID BACK PRES. VALVE HOLD ? | | |
| BEGIN DSPL. CMT | | | | | BUMPED PLUG TO | | |
| PLUG DOWN | | Cemented | 6/24/2004 | | 480 | | |

| | | | |
|---|------|---|--|
| CEMENT USED | | CEMENT COMPANY- B. J. | |
| STAGE | # SX | CEMENT TYPE & ADDITIVES | |
| 1 | 150 | Class "G" w/ 2% CaCL2 + 1/4#/sk Cello-Flake mixed @ 15.8 ppg 1.17 cf/sk yield | |
| | | | |
| | | | |
| CENTRALIZER & SCRATCHER PLACEMENT | | SHOW MAKE & SPACING | |
| Centralizers - Middle first, top second & third for 3 | | | |
| | | | |
| | | | |

COMPANY REPRESENTATIVE

Ray Herrera

DATE

009

RECEIVED

JUN 28 2004

DIV. OF OIL, GAS & MINING

OPERATOR: INLAND PRODUCTION COMPANY

OPERATOR ACCT. NO. N5160

ADDRESS: RT. 3 BOX 3630

MYTON, UT 84052

STATE OF UTAH

DIVISION OF OIL, GAS AND MINING

ENTITY ACTION FORM - FORM 6

| ACTION CODE | CURRENT ENTITY NO. | NEW ENTITY NO. | API NUMBER | WELL NAME | WELL LOCATION | | | | | SPUD DATE | EFFECTIVE DATE | |
|----------------------|-----------------------|-------------------|--------------|-----------------------------|---------------|----|----|-----|----------|---------------|-------------------|---|
| | | | | | QQ | SC | TP | RG | COUNTY | | | |
| A | 99999 | 14204 | 43-013-32579 | Ashley State 15-2-9-15 | SW/SE | 2 | 9S | 15E | Duchesne | June 14, 2004 | 6/30/04 | K |
| WELL 1 COMMENTS: GRV | | | | | | | | | | | | |
| A | 99999 | 14205 | 43-013-32578 | Ashley State 14-2-9-15 | SE/SW | 2 | 9S | 15E | Duchesne | June 18, 2004 | 6/30/04 | K |
| WELL 2 COMMENTS: GRV | | | | | | | | | | | | |
| B | 99999 | 12704 | 43-013-32507 | BlackJack Federal 4-10-9-17 | NW/NW | 10 | 9S | 17E | Duchesne | June 18, 2004 | 6/30/04 | K |
| WELL 3 COMMENTS: GRV | | | | | | | | | | | | |
| WELL 4 COMMENTS: | | | | | | | | | | | | |
| WELL 5 COMMENTS: | | | | | | | | | | | | |

ACTION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

(3/98)

Kebbie S. Jones
 Signature
 Production Clerk
 Title
 June 28, 2004
 Date

PAGE 02

INLAND

4356463031

05/28/2004 09:38

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

012

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Inland Production Company

3a. Address Route 3 Box 3630

Myton, UT 84052

3b. Phone No. (include area code)

435.646.3721

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

398 FNL 520 FWL

NW/NW Section 10 T9S R17E

5. Lease Serial No.

UTU65210

6. If Indian, Allottee or Tribe Name.

7. If Unit or CA/Agreement, Name and/or No.

BLACKJACK UNIT

8. Well Name and No.

BLACKJACK FEDERAL 4-10-9-17

9. API Well No.

4301332507

10. Field and Pool, or Exploratory Area
Monument Butte

11. County or Parish, State

Duchesne, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|--|---|---|---|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production(Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug & Abandon | <input type="checkbox"/> Temporarily Abandon | Weekly Status Report |
| | <input type="checkbox"/> Convert to Injector | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Status report for time period 7/29/04 - 8/10/04

Subject well had completion procedures initiated in the Green River formation on 7/29/04 without the use of a service rig over the well. A cement bond log was run and a total of four Green River intervals were perforated and hydraulically fracture treated w/ 20/40 mesh sand. Perf intervals were #1 (5760-5770'), (5698-5702'), (5670-5677') (All 4 JSPF); #2 (5536-5546'), (5517-5522'), (5488-5502') (All 4 JSPF); #3 (5111-5119') (4 JSPF); #4 (4886-4891'), (4816-4826') (4 JSPF). Composite flow-through frac plugs were used between stages. Fracs were flowed back through chokes. A service rig was moved on well on 8/5/04. Bridge plugs were drilled out. Well was cleaned out to PBTD @ 5840'. Zones were swab tested for sand cleanup. A BHA & production tbg string were run in and anchored in well. End of tubing string @ 5736.49'. A new 1 1/2" bore rod pump was run in well on sucker rods. Well was placed on production via rod pump on 8/10/04.

RECEIVED

AUG 13 2004

DIV. OF OIL, GAS & MINING

I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Martha Hall

Title

Office Manager

Signature

Date

8/11/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious and fraudulent statements or representations as to any matter within its jurisdiction

(Instructions on reverse)

013

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WORK

OIL WELL ☒ GAS WELL ☐ DRY ☐ Other _____

1b. TYPE OF WELL

NEW WELL ☒ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☐ DIFF RESVR. ☐ Other _____

2. NAME OF OPERATOR

INLAND RESOURCES INC.

3. ADDRESS AND TELEPHONE NO.

1401 17th St. Suite 1000 Denver, CO 80202

4. LOCATION OF WELL (Report locations clearly and in accordance with any State requirements.)*

At Surface 398' FNL & 520' FWL (NW NW) Sec. 10, T9S, R17E

At top prod. Interval reported below

At total depth

14. API NO. 43-013-32507 DATE ISSUED 10/14/2003

12. COUNTY OR PARISH Duchesne 13. STATE UT

15. DATE SPUDDED 6/18/2004 16. DATE T.D. REACHED 7/21/2004 17. DATE COMPL. (Ready to prod.) 8/10/2004 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* 5194' GL 5206' KB 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 5875' 21. PLUG BACK T.D., MD & TVD 5840' 22. IF MULTIPLE COMPL., HOW MANY* 23. INTERVALS DRILLED BY -----> 24. ROTARY TOOLS X 25. CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD)* Green River 4816'-5770' 25. WAS DIRECTIONAL SURVEY MADE No

26. TYPE ELECTRIC AND OTHER LOGS RUN Dual Induction Guard, SP, Compensated Density, Compensated Neutron, GR, Caliper, Cement Bond Log 27. WAS WELL CORED No

| 23. CASING RECORD (Report all strings set in well) | | | | | |
|--|-----------------|----------------|-----------|---|---------------|
| CASING SIZE/GRADE | WEIGHT, LB./FT. | DEPTH SET (MD) | HOLE SIZE | TOP OF CEMENT, CEMENTING RECORD | AMOUNT PULLED |
| 8-5/8" - J-55 | 24# | 313' | 12-1/4" | To surface with 150 sx Class "G" cmt | |
| 5-1/2" - J-55 | 15.5# | 5858' | 7-7/8" | 325 sx Premlite II and 425 sx 50/50 Poz | |

| 29. LINER RECORD | | | | | 30. TUBING RECORD | | |
|------------------|----------|-------------|---------------|-------------|-------------------|----------------|-----------------|
| SIZE | TOP (MD) | BOTTOM (MD) | SACKS CEMENT* | SCREEN (MD) | SIZE | DEPTH SET (MD) | PACKER SET (MD) |
| | | | | | 2-7/8" | EOT @ | TA @ |
| | | | | | | 5736' | 5634' |

| 31. PERFORATION RECORD (Interval, size and number) | | | 32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC. | |
|--|------|------------|--|---|
| INTERVAL | SIZE | SPF/NUMBER | DEPTH INTERVAL (MD) | AMOUNT AND KIND OF MATERIAL USED |
| (CP4,5) 5670-77', 5698-5702', 5760-70' | .41" | 4/84 | 5670'-5770' | Frac w/ 60,960# 20/40 sand in 516 bbls fluid. |
| (CP1,2) 5488-5502', 5517-22', 5536-46' | .41" | 4/116 | 5488'-5546' | Frac w/ 84,733# 20/40 sand in 642 bbls fluid. |
| (A1) 5111'-5119' | .41" | 4/32 | 5111'-5119' | Frac w/ 29,741# 20/40 sand in 326 bbls fluid. |
| (B.5, C-sd) 4816-26', 4886-91' | .41" | 4/60 | 4816'-4891' | Frac w/ 65,962# 20/40 sand in 499 bbls fluid. |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

| 33.* PRODUCTION | | | | | | | |
|-----------------------|-----------------|---|-------------------------|-----------|-------------|-------------------------|------------------------------------|
| DATE FIRST PRODUCTION | | PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump) | | | | | WELL STATUS (Producing or shut-in) |
| 8/10/2004 | | | | | | | PRODUCING |
| DATE OF TEST | HOURS TESTED | CHOKE SIZE | PROD'N. FOR TEST PERIOD | OIL--BBL. | GAS--MCF. | WATER--BBL. | GAS-OIL RATIO |
| 10 day ave | | | -----> | 74 | 67 | 23 | 905 |
| FLOW. TUBING PRESS. | CASING PRESSURE | CALCULATED 24-HOUR RATE | OIL-BBL. | GAS--MCF. | WATER--BBL. | OIL GRAVITY-API (CORR.) | |
| | | -----> | | | | | |

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Sold & Used for Fuel TEST WITNESSED BY SEP 13 2004

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records
SIGNED Brian Harris TITLE Engineering Technician DATE 9/9/2004

DIV. OF OIL, GAS & MINING

*(See Instructions and Spaces for Additional Data on Reverse Side)

| 37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals, and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries); | | | | 38. GEOLOGIC MARKERS | | |
|---|-----|--------|----------------------------------|-----------------------|-------------|------------------|
| FORMATION | TOP | BOTTOM | DESCRIPTION, CONTENTS, ETC. | NAME | TOP | |
| | | | | | MEAS. DEPTH | TRUE VERT. DEPTH |
| | | | Well Name Blackjack 4-10-9-17 | Garden Gulch Mkr | 3659' | |
| | | | | Garden Gulch 1 | 3844' | |
| | | | | Garden Gulch 2 | 3958' | |
| | | | | Point 3 Mkr | 4220' | |
| | | | | X Mkr | 4457' | |
| | | | | Y-Mkr | 4493' | |
| | | | | Douglas Creek Mkr | 4620' | |
| | | | | BiCarbonate Mkr | 4857' | |
| | | | | B Limestone Mkr | 4986' | |
| | | | | Castle Peak | 5439' | |
| | | | | Basal Carbonate | 5860' | |
| | | | | Total Depth (LOGGERS) | 5872' | |

Inland Resources Inc.

September 10, 2004

State of Utah, Division of Oil, Gas and Mining
Attn: Ms. Carol Daniels
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Attn: Ms. Carol Daniels

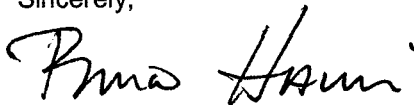
Blackjack Fed. 4-10-9-17 (43-013-32507)
Duchesne County, Utah

Dear Ms. Carol Daniels

Enclosed is a Well Completion or Recompletion Report and Log form (Form 3160-4). We are no longer sending Log copies since Pat Grissom of Phoenix Surveys is already doing so.

If you should have any questions, please contact me at (303) 382-4449.

Sincerely,



Brian Harris
Engineering Tech

Enclosures

cc: Bureau of Land Management
Vernal District Office, Division of Minerals
Attn: Edwin I. Forsman
170 South 500 East
Vernal, Utah 84078

Well File – Denver
Well File – Roosevelt
Patsy Barreau/Denver
Bob Jewett/Denver
Matt Richmond/Roosevelt

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SEP 13 2004

DIV. OF OIL, GAS & MINING



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
<http://www.blm.gov>



IN REPLY REFER TO:
3106
(UT-924)

September 16, 2004

Memorandum

To: Vernal Field Office

From: Acting Chief, Branch of Fluid Minerals

Subject: Merger Approval

Attached is an approved copy of the name change recognized by the Utah State Office. We have updated our records to reflect the merger from Inland Production Company into Newfield Production Company on September 2, 2004.

Michael Coulthard
Acting Chief, Branch of
Fluid Minerals

Enclosure

1. State of Texas Certificate of Registration

cc: MMS, Reference Data Branch, James Sykes, PO Box 25165, Denver CO 80225
State of Utah, DOGM, Attn: Earlene Russell, PO Box 145801, SLC UT 84114
Teresa Thompson
Joe Incardine
Connie Seare



Office of the Secretary of State

The undersigned, as Secretary of State of Texas, does hereby certify that the attached is a true and correct copy of each document on file in this office as described below:

Newfield Production Company
Filing Number: 41530400

Articles of Amendment

September 02, 2004

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on September 10, 2004.



A handwritten signature in black ink, appearing to read "G. Connor".

Secretary of State

ARTICLES OF AMENDMENT
TO THE
ARTICLES OF INCORPORATION
OF
INLAND PRODUCTION COMPANY

FILED
In the Office of the
Secretary of State of Texas
SEP 02 2004
Corporations Section

Pursuant to the provisions of Article 4.04 of the Texas Business Corporation Act (the "TBCA"), the undersigned corporation adopts the following articles of amendment to the articles of incorporation:

ARTICLE 1 – Name

The name of the corporation is Inland Production Company.

ARTICLE 2 – Amended Name

The following amendment to the Articles of Incorporation was approved by the Board of Directors and adopted by the shareholders of the corporation on August 27, 2004.

The amendment alters or changes Article One of the Articles of Incorporation to change the name of the corporation so that, as amended, Article One shall read in its entirety as follows:

"ARTICLE ONE – The name of the corporation is Newfield Production Company."

ARTICLE 3 – Effective Date of Filing

This document will become effective upon filing.

The holder of all of the shares outstanding and entitled to vote on said amendment has signed a consent in writing pursuant to Article 9.10 of the TBCA, adopting said amendment, and any written notice required has been given.

IN WITNESS WHEREOF, the undersigned corporation has executed these Articles of Amendment as of the 1st day of September, 2004.

INLAND RESOURCES INC.

By: Susan G. Riggs
Susan G. Riggs, Treasurer

| | | | | | |
|---------|--------|--------|--------|-------|--------|
| UTSL- | 15855 | 61052 | 73088 | 76561 | |
| 071572A | 16535 | 62848 | 73089 | 76787 | |
| 065914 | 16539 | 63073B | 73520A | 76808 | |
| | 16544 | 63073D | 74108 | 76813 | |
| | 17036 | 63073E | 74805 | 76954 | 63073X |
| | 17424 | 63073O | 74806 | 76956 | 63098A |
| | 18048 | 64917 | 74807 | 77233 | 68528A |
| UTU- | 18399 | 64379 | 74808 | 77234 | 72086A |
| | 19267 | 64380 | 74389 | 77235 | 72613A |
| 02458 | 26026A | 64381 | 74390 | 77337 | 73520X |
| 03563 | 30096 | 64805 | 74391 | 77338 | 74477X |
| 03563A | 30103 | 64806 | 74392 | 77339 | 75023X |
| 04493 | 31260 | 64917 | 74393 | 77357 | 76189X |
| 05843 | 33992 | 65207 | 74398 | 77359 | 76331X |
| 07978 | 34173 | 65210 | 74399 | 77365 | 76788X |
| 09803 | 34346 | 65635 | 74400 | 77369 | 77098X |
| 017439B | 36442 | 65967 | 74404 | 77370 | 77107X |
| 017985 | 36846 | 65969 | 74405 | 77546 | 77236X |
| 017991 | 38411 | 65970 | 74406 | 77553 | 77376X |
| 017992 | 38428 | 66184 | 74411 | 77554 | 78560X |
| 018073 | 38429 | 66185 | 74805 | 78022 | 79485X |
| 019222 | 38431 | 66191 | 74806 | 79013 | 79641X |
| 020252 | 39713 | 67168 | 74826 | 79014 | 80207X |
| 020252A | 39714 | 67170 | 74827 | 79015 | 81307X |
| 020254 | 40026 | 67208 | 74835 | 79016 | |
| 020255 | 40652 | 67549 | 74868 | 79017 | |
| 020309D | 40894 | 67586 | 74869 | 79831 | |
| 022684A | 41377 | 67845 | 74870 | 79832 | |
| 027345 | 44210 | 68105 | 74872 | 79833 | |
| 034217A | 44426 | 68548 | 74970 | 79831 | |
| 035521 | 44430 | 68618 | 75036 | 79834 | |
| 035521A | 45431 | 69060 | 75037 | 80450 | |
| 038797 | 47171 | 69061 | 75038 | 80915 | |
| 058149 | 49092 | 69744 | 75039 | 81000 | |
| 063597A | 49430 | 70821 | 75075 | | |
| 075174 | 49950 | 72103 | 75078 | | |
| 096547 | 50376 | 72104 | 75089 | | |
| 096550 | 50385 | 72105 | 75090 | | |
| | 50376 | 72106 | 75234 | | |
| | 50750 | 72107 | 75238 | | |
| 10760 | 51081 | 72108 | 76239 | | |
| 11385 | 52013 | 73086 | 76240 | | |
| 13905 | 52018 | 73087 | 76241 | | |
| 15392 | 58546 | 73807 | 76560 | | |

OPERATOR CHANGE WORKSHEET**014**

Change of Operator (Well Sold)

Designation of Agent/Operator

ROUTING

1. GLH

2. CDW

3. FILE

X Operator Name Change**Merger**

The operator of the well(s) listed below has changed, effective:

9/1/2004**FROM: (Old Operator):**

N5160-Inland Production Company

Route 3 Box 3630

Myton, UT 84052

Phone: 1-(435) 646-3721

TO: (New Operator):

N2695-Newfield Production Company

Route 3 Box 3630

Myton, UT 84052

Phone: 1-(435) 646-3721

CA No.**Unit:****BLACKJACK (GR)****WELL(S)**

| NAME | SEC | TWN | RNG | API NO | ENTITY NO | LEASE TYPE | WELL TYPE | WELL STATUS | |
|--------------------------|-----|------|------|------------|-----------|------------|-----------|-------------|---|
| BLACKJACK FED 9-33-8-17 | 33 | 080S | 170E | 4301332515 | 12704 | Federal | OW | P | K |
| BLACKJACK FED 16-3-9-17 | 03 | 090S | 170E | 4301332500 | 12704 | Federal | OW | P | K |
| BLACKJACK FED 15-3-9-17 | 03 | 090S | 170E | 4301332501 | 12704 | Federal | OW | P | K |
| CASTLE DRAW 5-4-9-17 | 04 | 090S | 170E | 4301332074 | 12704 | Federal | OW | P | |
| CASTLE DRAW 6-4-9-17 | 04 | 090S | 170E | 4301332075 | 12704 | Federal | WI | A | |
| CASTLE DRAW 8-4-9-17 | 04 | 090S | 170E | 4301332077 | 12704 | Federal | OW | S | |
| CASTLE DRAW 9-4-9-17 | 04 | 090S | 170E | 4301332079 | 12704 | Federal | OW | P | |
| CASTLE DRAW 11-4-9-17 | 04 | 090S | 170E | 4301332081 | 12704 | Federal | OW | S | |
| CASTLE DRAW 12-4-9-17 | 04 | 090S | 170E | 4301332082 | 12704 | Federal | WI | A | |
| CASTLE DRAW 15-4-9-17 | 04 | 090S | 170E | 4301332083 | 12704 | Federal | OW | P | |
| BLACKJACK FED 10-4-9-17 | 04 | 090S | 170E | 4301332509 | 12704 | Federal | OW | P | K |
| CASTLE DRAW 1-9-9-17 | 09 | 090S | 170E | 4301332071 | 12704 | Federal | OW | P | |
| CASTLE DRAW 8-9-9-17 | 09 | 090S | 170E | 4301332078 | 12704 | Federal | WI | A | |
| BLACKJACK FED 16-9-9-17 | 09 | 090S | 170E | 4301332516 | 12704 | Federal | OW | P | K |
| BLACKJACK FED 15-10-9-17 | 10 | 090S | 170E | 4301332503 | 12704 | Federal | OW | OPS | K |
| BLACKJACK FED 13-10-9-17 | 10 | 090S | 170E | 4301332504 | 12704 | Federal | OW | P | K |
| BLACKJACK FED 12-10-9-17 | 10 | 090S | 170E | 4301332505 | 12704 | Federal | OW | P | K |
| BLACKJACK FED 11-10-9-17 | 10 | 090S | 170E | 4301332506 | 12704 | Federal | OW | P | K |
| BLACKJACK FED 4-10-9-17 | 10 | 090S | 170E | 4301332507 | 12704 | Federal | OW | P | K |
| BLACKJACK FED 2-10-9-17 | 10 | 090S | 170E | 4301332508 | 12704 | Federal | OW | P | K |
| | | | | | | | | | |
| | | | | | | | | | |

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 9/15/20042. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 9/15/20043. The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 2/23/20054. Is the new operator registered in the State of Utah: YES Business Number: 755627-01435. If **NO**, the operator was contacted on:

6a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
6b. Inspections of LA PA state/fee well sites complete on: waived

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM BIA

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: n/a

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: na/

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 2/23/2005

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 2/28/2005
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 2/28/2005
3. Bond information entered in RBDMS on: 2/28/2005
4. Fee/State wells attached to bond in RBDMS on: 2/28/2005
5. Injection Projects to new operator in RBDMS on: 2/28/2005
6. Receipt of Acceptance of Drilling Procedures for APD/New on: waived

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: UT 0056

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: 61BSBDH2912

FEE & STATE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number 61BSBDH2919
2. The **FORMER** operator has requested a release of liability from their bond on: n/a*
The Division sent response by letter on: n/a

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

COMMENTS:

*Bond rider changed operator name from Inland Production Company to Newfield Production Company - received 2/23/05



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 8
999 18th STREET - SUITE 300
DENVER, CO 80202-2466
<http://www.epa.gov/region08>

DEC 05 2006

Ref: 8P-W-GW

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

David Gerbig
Newfield Production Company
1401 Seventeenth Street
Suite 1000
Denver, CO 80202

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

43-013-32507
95 NE 10
Re: Underground Injection Control Program
Final Permit: Blackjack Federal 4-10-9-17
Duchesne County, Utah
EPA Permit No. UT21000-06798

Dear Mr. Gerbig:

Enclosed is your copy of the FINAL Underground Injection Control (UIC) Permit for the proposed Blackjack Federal 4-10-9-17 injection well. A Statement of Basis, which discusses development of the conditions and requirements of the Permit, also is included.

The Public Comment period ended on NOV 23 2006. There were no comments on the Draft Permit received during the Public Notice period, and therefore the Final Permit becomes effective on the date of issuance. All conditions set forth herein refer to Title 40 Parts 124, 144, 146, and 147 of the Code of Federal Regulations (CFR) and are regulations that are in effect on the date that this Permit becomes effective.

Please note that under the terms of the Final Permit, you are authorized only to construct the proposed injection well, and must fulfill the "Prior to Commencing Injection" requirements of the Permit, Part II Section C Subpart 1 and obtain written Authorization to Inject prior to commencing injection. It is your responsibility to be familiar with and to comply with all provisions of the Final Permit.

The Permit and the authorization to inject are issued for the operating life of the well unless terminated (Part III, Section B). The EPA will review this Permit at least every five (5) years to determine whether action under 40 CFR § 144.36(a) is warranted.



Printed on Recycled Paper

If you have any questions on the enclosed Final Permit or Statement of Basis, please call Emmett Schmitz of my staff at (303) 312-6174, or toll-free at (800) 227-8917, ext. 6174.

Sincerely,

Stephen S. Tuber
Stephen S. Tuber
Assistant Regional Administrator
Office of Partnerships and Regulatory Assistance

enclosure: Final UIC Permit
Statement of Basis
Form 7520-7 Application to Transfer Permit
Form 7520-11 Monitoring Report
Form 7520-12 Well Rework Record
Form 7520-13 Plugging Record
Groundwater Section Guidance 35
Groundwater Section Guidance 37
Groundwater Section Guidance 39

cc: Letter only:

Maxine Natchees
Acting Chairperson
Uintah & Ouray Business Council
Ute Indian Tribe

Chester Mills
Superintendent
Uintah & Ouray Indian Agency
U.S. Bureau of Indian Affairs

Final Permit & Statement of Basis:

Shaun Chapoose
Director
Land Use Dept.
Ute Indian Tribe

Lynn Becker
Director
Energy & Minerals Dept.
Ute Indian Tribe

Gilbert Hunt
Assistant Director
State of Utah - Natural Resources

Fluid Minerals Engineering Office
U.S. Bureau of Land Management
Myton, Utah

all enclosures:

Michael Guinn
Vice President - Operations
Newfield Production Company
Myton, Utah





**UNDERGROUND INJECTION CONTROL PROGRAM
PERMIT**

PREPARED: November 2006

Permit No. UT21000-06798

Class II Enhanced Oil Recovery Injection Well

**Blackjack Federal 4-10-9-17
DUCHESNE County, UT**

Issued To

Newfield Production Company

1401 Seventeenth Street

Suite 1000

Denver, CO 80202

Part I. AUTHORIZATION TO CONSTRUCT AND OPERATE

Under the authority of the Safe Drinking Water Act and Underground Injection Control (UIC) Program regulations of the U. S. Environmental Protection Agency (EPA) codified at Title 40 of the Code of Federal Regulations (40 CFR) Parts 2, 124, 144, 146, and 147, and according to the terms of this Permit,

Newfield Production Company
1401 Seventeenth Street
Suite 1000
Denver, CO 80202

is authorized to construct and to operate the following Class II injection well or wells:

Blackjack Federal 4-10-9-17
398' FNL 520' FWL, NWNW S10, T9N, R17E
DUCHESNE County, UT

EPA UIC permits regulate the injection of fluids into underground injection wells so that the injection does not endanger underground sources of drinking water. EPA UIC permit conditions are based upon the authorities set forth in regulatory provisions at 40 CFR Parts 144 and 146, and address potential impacts to underground sources of drinking water.

Under 40 CFR Part 144, Subpart D, certain conditions apply to all UIC permits and may be incorporated either expressly or by reference. General permit conditions for which the content is mandatory and not subject to site-specific differences (40 CFR Parts 124, 144, 146 and 147) are not discussed in this document. Under 40 CFR §144.35, issuance of this permit does not convey any property rights of any sort or any exclusive privilege, nor does it authorize injury to persons or property or invasion of other private rights, or any infringement of other federal, state or local laws or regulations. EPA UIC permits may be issued for the operating life of the injection well or project unless terminated for reasonable cause under 40 CFR §§144.39, 144.40 and 144.41, and are subject to EPA review at least once every five (5) years to determine if action is required under 40 CFR §144.36(a).

This Permit is issued for the life of the well or wells unless modified, revoked and reissued, or terminated under 40 CFR 144.39 or 144.40. This Permit may be adopted, modified, revoked and reissued, or terminated if primary enforcement authority for this program is delegated to an Indian Tribe or a State. Upon the effective date of delegation, all reports, notifications, questions and other compliance actions shall be directed to the Indian tribe or State Program Director or designee.

Issue Date: DEC 05 2006

Effective Date DEC 05 2006



for Stephen S. Tuber
Assistant Regional Administrator*
Office of Partnerships and Regulatory Assistance

*NOTE: The person holding this title is referred to as the "Director" throughout this Permit.

PART II. SPECIFIC PERMIT CONDITIONS

Section A. WELL CONSTRUCTION REQUIREMENTS

These requirements represent the approved minimum construction standards for well casing and cement, injection tubing, and packer.

Details of the approved well construction plan are incorporated into this Permit as APPENDIX A. Changes to the approved plan that may occur during construction must be approved by the Director prior to being physically incorporated.

1. Casing and Cement.

The well or wells shall be cased and cemented to prevent the movement of fluids into or between underground sources of drinking water. The well casing and cement shall be designed for the life expectancy of the well and of the grade and size shown in APPENDIX A. Remedial cementing may be required if shown to be inadequate by cement bond log or other attempted demonstration of Part II (External) mechanical integrity.

2. Injection Tubing and Packer.

Injection tubing is required, and shall be run and set with a packer at or below the depth indicated in APPENDIX A. The packer setting depth may be changed provided it remains below the depth indicated in APPENDIX A and the Permittee provides notice and obtains the Director's approval for the change.

3. Sampling and Monitoring Devices.

The Permittee shall install and maintain in good operating condition:

- (a) a "tap" at a conveniently accessible location on the injection flow line between the pump house or storage tanks and the injection well, isolated by shut-off valves, for collection of representative samples of the injected fluid; and
- (b) one-half (1/2) inch female iron pipe fitting, isolated by shut-off valves and located at the wellhead at a conveniently accessible location, for the attachment of a pressure gauge capable of monitoring pressures ranging from normal operating pressures up to the Maximum Allowable Injection Pressure specified in APPENDIX C:
 - (i) on the injection tubing; and
 - (ii) on the tubing-casing annulus (TCA); and
- (c) a pressure actuated shut-off device attached to the injection flow line set to shut-off the injection pump when or before the Maximum Allowable Injection Pressure specified in APPENDIX C is reached at the wellhead; and
- (d) a non-resettable cumulative volume recorder attached to the injection line.

4. Well Logging and Testing

Well logging and testing requirements are found in APPENDIX B. The Permittee shall ensure the log and test requirements are performed within the time frames specified in APPENDIX B. Well logs and tests shall be performed according to current EPA-approved procedures. Well log and test results shall be submitted to the Director within sixty (60) days of completion of the logging or testing activity, and shall include a report describing the methods used during logging or testing and an interpretation of the test or log results.

5. Postponement of Construction or Conversion

The Permittee shall complete well construction within one year of the Effective Date of the Permit, or in the case of an Area Permit within one year of authorization of the additional well. Authorization to construct and operate shall expire if the well has not been constructed within one year of the Effective Date of the Permit or authorization and the Permit may be terminated under 40 CFR 144.40, unless the Permittee has notified the Director and requested an extension prior to expiration. Notification shall be in writing, and shall state the reasons for the delay and provide an estimated completion date. Once Authorization has expired under this part, the complete permit process including opportunity for public comment may be required before Authorization to construct and operate may be reissued.

6. Workovers and Alterations

Workovers and alterations shall meet all conditions of the Permit. Prior to beginning any addition or physical alteration to an injection well that may significantly affect the tubing, packer or casing, the Permittee shall give advance notice to the Director and obtain the Director's approval. The Permittee shall record all changes to well construction on a Well Rework Record (EPA Form 7520-12), and shall provide this and any other record of well workover, logging, or test data to EPA within sixty (60) days of completion of the activity.

A successful demonstration of Part I MI is required following the completion of any well workover or alteration which affects the casing, tubing, or packer. Injection operations shall not be resumed until the well has successfully demonstrated mechanical integrity and the Director has provided written approval to resume injection.

Section B. MECHANICAL INTEGRITY

The Permittee is required to ensure each injection well maintains mechanical integrity at all times. The Director, by written notice, may require the Permittee to comply with a schedule describing when mechanical integrity demonstrations shall be made.

An injection well has mechanical integrity if:

- (a) There is no significant leak in the casing, tubing, or packer (Part I); and
- (b) There is no significant fluid movement into an underground source of drinking water through vertical channels adjacent to the injection well bore (Part II).

1. Demonstration of Mechanical Integrity (MI).

The operator shall demonstrate MI prior to commencing injection and periodically thereafter. Well-specific conditions dictate the methods and the frequency for demonstrating MI and are discussed in the Statement of Basis. The logs and tests are designed to demonstrate both internal (Part I) and external (Part II) MI as described above. The conditions present at this well site warrant the methods and frequency required in Appendix B of this Permit.

In addition to these regularly scheduled demonstrations of MI, the operator shall demonstrate internal (Part I) MI after any workover which affects the tubing, packer or casing.

The Director may require additional or alternative tests if the results presented by the operator are not satisfactory to the Director to demonstrate there is no movement of fluid into or between USDWs resulting from injection activity. Results of MI tests shall be submitted to the Director as soon as possible but no later than sixty (60) days after the test is complete.

2. Mechanical Integrity Test Methods and Criteria

EPA-approved methods shall be used to demonstrate mechanical integrity. Ground Water Section Guidance No. 34 "Cement Bond Logging Techniques and Interpretation", Ground Water Section Guidance No. 37, "Demonstrating Part II (External) Mechanical Integrity for a Class II injection well permit", and Ground Water Section Guidance No. 39, "Pressure Testing Injection Wells for Part I (Internal) Mechanical Integrity" are available from EPA and will be provided upon request.

The Director may stipulate specific test methods and criteria best suited for a specific well construction and injection operation.

3. Notification Prior to Testing.

The Permittee shall notify the Director at least 30 days prior to any scheduled mechanical integrity test. The Director may allow a shorter notification period if it would be sufficient to enable EPA to witness the mechanical integrity test. Notification may be in the form of a yearly or quarterly schedule of planned mechanical integrity tests, or it may be on an individual basis.

4. Loss of Mechanical Integrity.

If the well fails to demonstrate mechanical integrity during a test, or a loss of mechanical integrity becomes evident during operation (such as presence of pressure in the TCA, water flowing at the surface, etc.), the Permittee shall notify the Director within 24 hours (see Part III Section E Paragraph 11(e) of this Permit) and the well shall be shut-in within 48 hours unless the Director requires immediate shut-in.

Within five days, the Permittee shall submit a follow-up written report that documents test results, repairs undertaken or a proposed remedial action plan.

Injection operations shall not be resumed until after the well has successfully been repaired and demonstrated mechanical integrity, and the Director has provided approval to resume injection.

Section C. WELL OPERATION

INJECTION BETWEEN THE OUTERMOST CASING PROTECTING UNDERGROUND SOURCES OF DRINKING WATER AND THE WELL BORE IS PROHIBITED.

Injection is approved under the following conditions:

1. Requirements Prior to Commencing Injection.

Well injection, including for new wells authorized by an Area Permit under 40 CFR 144.33 (c), may commence only after all well construction and pre-injection requirements herein have been met and approved. The Permittee may not commence injection until construction is complete, and

- (a) The Permittee has submitted to the Director a notice of completion of construction and a completed EPA Form 7520-10 or 7520-12; all applicable logging and testing requirements of this Permit (see APPENDIX B) have been fulfilled and the records submitted to the Director; mechanical integrity pursuant to 40 CFR 146.8 and Part II Section B of this Permit has been demonstrated; and
 - (i) The Director has inspected or otherwise reviewed the new injection well and finds it is in compliance with the conditions of the Permit; or
 - (ii) The Permittee has not received notice from the Director of his or her intent to inspect or otherwise review the new injection well within 13 days of the date of the notice in Paragraph 1a, in which case prior inspection or review is waived and the Permittee may commence injection.

2. Injection Interval.

Injection is permitted only within the approved injection interval, listed in APPENDIX C. Additional individual injection perforations may be added provided that they remain within the approved injection interval and the Permittee provides notice to the Director in accordance with Part II, Section A, Paragraph 6.

3. Injection Pressure Limitation

- (a) The permitted Maximum Allowable Injection Pressure (MAIP), measured at the wellhead, is found in APPENDIX C. Injection pressure shall not exceed the amount the Director determines is appropriate to ensure that injection does not initiate new fractures or propagate existing fractures in the confining zone adjacent to USDWs. In no case shall injection pressure cause the movement of injection or formation fluids into a USDW.
- (b) The Permittee may request a change of the MAIP, or the MAIP may be increased or decreased by the Director in order to ensure that the requirements in Paragraph (a) above are fulfilled. The Permittee may be required to conduct a step rate injection test or other suitable test to provide information for determining the fracture pressure of the injection zone. Change of the permitted MAIP by the Director shall be by modification of this Permit and APPENDIX C.

4. Injection Volume Limitation.

Injection volume is limited to the total volume specified in APPENDIX C.

5. Injection Fluid Limitation.

Injected fluids are limited to those identified in 40 CFR 144.6(b)(2) as fluids used for enhanced recovery of oil or natural gas, including those which are brought to the surface in connection with conventional oil or natural gas production that may be commingled with waste waters from gas plants which are an integral part of production operations unless those waters are classified as a hazardous waste at the time of injection, pursuant to 40 CFR 144.6(b). Non-exempt wastes, including unused fracturing fluids or acids, gas plant cooling tower cleaning wastes, service wastes and vacuum truck wastes, are NOT approved for injection. This well is NOT approved for commercial brine injection, industrial waste fluid disposal or injection of hazardous waste as defined by CFR 40 Part 261. The Permittee shall provide a listing of the sources of injected fluids in accordance with the reporting requirements in Part II Section D Paragraph 4 and APPENDIX D of this Permit.

6. Tubing-Casing Annulus (TCA)

The tubing-casing annulus (TCA) shall be filled with water treated with a corrosion inhibitor, or other fluid approved by the Director. The TCA valve shall remain closed during normal operating conditions and the TCA pressure shall be maintained at zero (0) psi.

If TCA pressure cannot be maintained at zero (0) psi, the Permittee shall follow the procedures in Ground Water Section Guidance No. 35 "Procedures to follow when excessive annular pressure is observed on a well."

Section D. MONITORING, RECORDKEEPING, AND REPORTING OF RESULTS

1. Monitoring Parameters, Frequency, Records and Reports.

Monitoring parameters are specified in APPENDIX D. Pressure monitoring recordings shall be taken at the wellhead. The listed parameters are to be monitored, recorded and reported at the frequency indicated in APPENDIX D even during periods when the well is not operating.

Monitoring records must include:

- (a) the date, time, exact place and the results of the observation, sampling, measurement, or analysis, and;
- (b) the name of the individual(s) who performed the observation, sampling, measurement, or analysis, and;
- (c) the analytical techniques or methods used for analysis.

2. Monitoring Methods.

- (a) Monitoring observations, measurements, samples, etc. taken for the purpose of complying with these requirements shall be representative of the activity or condition being monitored.

- (b) Methods used to monitor the nature of the injected fluids must comply with analytical methods cited and described in Table 1 of 40 CFR 136.3 or Appendix III of 40 CFR 261, or by other methods that have been approved in writing by the Director.
- (c) Injection pressure, annulus pressure, injection rate, and cumulative injected volumes shall be observed and recorded at the wellhead under normal operating conditions, and all parameters shall be observed simultaneously to provide a clear depiction of well operation.
- (d) Pressures are to be measured in pounds per square inch (psi).
- (e) Fluid volumes are to be measured in standard oil field barrels (bbl).
- (f) Fluid rates are to be measured in barrels per day (bbl/day).

3. Records Retention.

- (a) Records of calibration and maintenance, and all original strip chart recordings for continuous monitoring instrumentation, copies of all reports required by this permit, and records of all data used to complete the application for this permit shall be retained for a period of AT LEAST THREE (3) YEARS from the date of the sample, measurement, report, or application. This period may be extended anytime prior to its expiration by request of the Director.
- (b) Records of the nature and composition of all injected fluids must be retained until three (3) years after the completion of any plugging and abandonment (P&A) procedures specified under 40 CFR 144.52(a)(6) or under Part 146 Subpart G, as appropriate. The Director may require the Permittee to deliver the records to the Director at the conclusion of the retention period. The Permittee shall continue to retain the records after the three (3) year retention period unless the Permittee delivers the records to the Director or obtains written approval from the Director to discard the records.
- (c) The Permittee shall retain records at the location designated in APPENDIX D.

4. Annual Reports.

Whether the well is operating or not, the Permittee shall submit an Annual Report to the Director that summarizes the results of the monitoring required by Part II Section D and APPENDIX D.

The first Annual Report shall cover the period from the effective date of the Permit through December 31 of that year. Subsequent Annual Reports shall cover the period from January 1 through December 31 of the reporting year. Annual Reports shall be submitted by February 15 of the year following data collection. EPA Form 7520-11 may be copied and shall be used to submit the Annual Report, however, the monitoring requirements specified in this Permit are mandatory even if EPA Form 7520-11 indicates otherwise.

Section E. PLUGGING AND ABANDONMENT

1. Notification of Well Abandonment, Conversion or Closure.

The Permittee shall notify the Director in writing at least forty-five (45) days prior to: 1) plugging and abandoning an injection well, 2) converting to a non-injection well, and 3) in the case of an Area Permit, before closure of the project.

2. Well Plugging Requirements

Prior to abandonment, the injection well shall be plugged with cement in a manner which isolates the injection zone and prevents the movement of fluids into or between underground sources of drinking water, and in accordance with 40 CFR 146.10 and other applicable federal, State or local law or regulations. Tubing, packer and other downhole apparatus shall be removed. Cement with additives such as accelerators and retarders that control or enhance cement properties may be used for plugs; however, volume-extending additives and gel cements are not approved for plug use. Plug placement shall be verified by tagging. Plugging gel of at least 9.6 lb/gal shall be placed between all plugs. A minimum 50 ft surface plug shall be set inside and outside of the surface casing to seal pathways for fluid migration into the subsurface. The Plugging Record must be certified as accurate and complete by the person responsible for the plugging operation. Prior to placement of the cement plug(s) the well shall be in a state of static equilibrium with the mud weight equalized top to bottom, either by circulating the mud in the well at least once or by a comparable method prescribed by the Director.

3. Approved Plugging and Abandonment Plan.

The approved plugging and abandonment plan is incorporated into this Permit as APPENDIX E. Changes to the approved plugging and abandonment plan must be approved by the Director prior to beginning plugging operations. The Director also may require revision of the approved plugging and abandonment plan at any time prior to plugging the well.

4. Forty Five (45) Day Notice of Plugging and Abandonment.

The Permittee shall notify the Director at least forty-five (45) days prior to plugging and abandoning a well and provide notice of any anticipated change to the approved plugging and abandonment plan.

5. Plugging and Abandonment Report.

Within sixty (60) days after plugging a well, the Permittee shall submit a report (EPA Form 7520-13) to the Director. The plugging report shall be certified as accurate by the person who performed the plugging operation. Such report shall consist of either:

- (a) A statement that the well was plugged in accordance with the approved plugging and abandonment plan; or
- (b) Where actual plugging differed from the approved plugging and abandonment plan, an updated version of the plan, on the form supplied by the Director, specifying the differences.

6. Inactive Wells.

After any period of two years during which there is no injection the Permittee shall plug and abandon the well in accordance with Part II Section E Paragraph 2 of this Permit unless the Permittee:

- (a) Provides written notice to the Director;
- (b) Describes the actions or procedures the Permittee will take to ensure that the well will not endanger USDWs during the period of inactivity. These actions and procedures shall include compliance with mechanical integrity demonstration, Financial Responsibility and all other permit requirements designed to protect USDWs; and
- (c) Receives written notice by the Director temporarily waiving plugging and abandonment requirements.

PART III. CONDITIONS APPLICABLE TO ALL PERMITS

Section A. EFFECT OF PERMIT

The Permittee is allowed to engage in underground injection in accordance with the conditions of this Permit. The Permittee shall not construct, operate, maintain, convert, plug, abandon, or conduct any other activity in a manner that allows the movement of fluid containing any contaminant into underground sources of drinking water, if the presence of that contaminant may cause a violation of any primary drinking water regulation under 40 CFR 142 or may otherwise adversely affect the health of persons. Any underground injection activity not authorized by this Permit or by rule is prohibited. Issuance of this Permit does not convey property rights of any sort or any exclusive privilege; nor does it authorize any injury to persons or property, any invasion of other private rights, or any infringement of State or local law or regulations. Compliance with the terms of this Permit does not constitute a defense to any enforcement action brought under the provisions of Section 1431 of the Safe Drinking Water Act (SDWA) or any other law governing protection of public health or the environment, for any imminent and substantial endangerment to human health or the environment, nor does it serve as a shield to the Permittee's independent obligation to comply with all UIC regulations. Nothing in this Permit relieves the Permittee of any duties under applicable regulations.

Section B. CHANGES TO PERMIT CONDITIONS

1. Modification, Reissuance, or Termination.

The Director may, for cause or upon a request from the Permittee, modify, revoke and reissue, or terminate this Permit in accordance with 40 CFR 124.5, 144.12, 144.39, and 144.40. Also, this Permit is subject to minor modification for causes as specified in 40 CFR 144.41. The filing of a request for modification, revocation and reissuance, termination, or the notification of planned changes or anticipated noncompliance on the part of the Permittee does not stay the applicability or enforceability of any condition of this Permit.

2. Conversions.

The Director may, for cause or upon a written request from the Permittee, allow conversion of the well from a Class II injection well to a non-Class II well. Conversion may not proceed until the Permittee receives written approval from the Director. Conditions of such conversion may include but are not limited to, approval of the proposed well rework, follow up demonstration of mechanical integrity, well-specific monitoring and reporting following the conversion, and demonstration of practical use of the converted configuration.

3. Transfer of Permit.

Under 40 CFR 144.38, this Permit is transferable provided the current Permittee notifies the Director at least thirty (30) days in advance of the proposed transfer date (EPA Form 7520-7) and provides a written agreement between the existing and new Permittees containing a specific date for transfer of Permit responsibility, coverage and liability between them. The notice shall adequately demonstrate that the financial responsibility requirements of 40 CFR 144.52(a)(7) will be met by the new Permittee. The Director may require modification or revocation and reissuance of the Permit to change the name of the Permittee and incorporate such other requirements as may be necessary under the Safe Drinking Water Act; in some cases, modification or revocation and reissuance is mandatory.

4. Permittee Change of Address.

Upon the Permittee's change of address, or whenever the operator changes the address where monitoring records are kept, the Permittee must provide written notice to the Director within 30 days.

5. Construction Changes, Workovers, Logging and Testing Data

The Permittee shall give advance notice to the Director, and shall obtain the Director's written approval prior to any physical alterations or additions to the permitted facility. Alterations or workovers shall meet all conditions as set forth in this permit. The Permittee shall record any changes to the well construction on a Well Rework Record (EPA Form 7520-12), and shall provide this and any other record of well workovers, logging, or test data to EPA within sixty (60) days of completion of the activity.

Following the completion of any well workovers or alterations which affect the casing, tubing, or packer, a successful demonstration of mechanical integrity (Part III, Section F of this permit) shall be made, and written authorization from the Director received, prior to resuming injection activities.

Section C. SEVERABILITY

The Provisions of this Permit are severable, and if any provision of this Permit or the application of any provision of this Permit to any circumstance, is held invalid, the application of such provision to other circumstances, and the remainder of this Permit shall not be affected thereby.

Section D. CONFIDENTIALITY

In accordance with 40 CFR Part 2 and 40 CFR 144.5, information submitted to EPA pursuant to this Permit may be claimed as confidential by the submitter. Any such claim must be asserted at the time of submission by stamping the words "confidential business information" on each page containing such information. If no claim is made at the time of submission, EPA may make the information available to the public without further notice. If a claim is asserted, the validity of the claim will be assessed in accordance with the procedures in 40 CFR Part 2 (Public Information). Claims of confidentiality for the following information will be denied:

- The name and address of the Permittee, and
- information which deals with the existence, absence or level of contaminants in drinking water.

Section E. GENERAL PERMIT REQUIREMENTS

1. Duty to Comply.

The Permittee must comply with all conditions of this Permit. Any noncompliance constitutes a violation of the Safe Drinking Water Act (SDWA) and is grounds for enforcement action; for Permit termination, revocation and reissuance, or modification; or for denial of a permit renewal application; except that the Permittee need not comply with the provisions of this Permit to the extent and for the duration such noncompliance is authorized in an emergency permit under 40 CFR 144.34. All violations of the SDWA may subject the Permittee to penalties and/or criminal prosecution as specified in Section 1423 of the SDWA.

2. Duty to Reapply.

If the Permittee wishes to continue an activity regulated by this Permit after the expiration date of this Permit, under 40 CFR 144.37 the Permittee must apply for a new permit prior to the expiration date.

3. Need to Halt or Reduce Activity Not a Defense.

It shall not be a defense for a Permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this Permit.

4. Duty to Mitigate.

The Permittee shall take all reasonable steps to minimize or correct any adverse impact on the environment resulting from noncompliance with this Permit.

5. Proper Operation and Maintenance.

The Permittee shall at all times properly operate and maintain all facilities and systems of treatment and control (and related appurtenances) which are installed or used by the Permittee to achieve compliance with the conditions of this Permit. Proper operation and maintenance includes effective performance, adequate funding, adequate operator staffing and training, and adequate laboratory and process controls, including appropriate quality assurance procedures. This provision requires the operation of back-up or auxiliary facilities or similar systems only when necessary to achieve compliance with the conditions of this Permit.

6. Permit Actions.

This Permit may be modified, revoked and reissued or terminated for cause. The filing of a request by the Permittee for a permit modification, revocation and reissuance, or termination, or a notification of planned changes or anticipated noncompliance, does not stay any permit condition.

7. Property Rights.

This Permit does not convey any property rights of any sort, or any exclusive privilege.

8. Duty to Provide Information.

The Permittee shall furnish to the Director, within a time specified, any information which the Director may request to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit, or to determine compliance with this permit. The Permittee shall also furnish to the Director, upon request, copies of records required to be kept by this Permit. The Permittee is required to submit any information required by this Permit or by the Director to the mailing address designated in writing by the Director.

9. Inspection and Entry.

The Permittee shall allow the Director, or an authorized representative, upon the presentation of credentials and other documents as may be required by law, to:

- (a) Enter upon the Permittee's premises where a regulated facility or activity is located or conducted, or where records must be kept under the conditions of this Permit;

- (b) Have access to and copy, at reasonable times, any records that must be kept under the conditions of this Permit;
- (c) Inspect at reasonable times any facilities, equipment (including monitoring and control equipment), practices, or operations regulated or required under this Permit; and,
- (d) Sample or monitor at reasonable times, for the purpose of assuring permit compliance or as otherwise authorized by the SDWA, any substances or parameters at any location.

10. Signatory Requirements.

All applications, reports or other information submitted to the Director shall be signed and certified according to 40 CFR 144.32. This section explains the requirements for persons duly authorized to sign documents, and provides wording for required certification.

11. Reporting Requirements.

- (a) Planned changes. The Permittee shall give notice to the Director as soon as possible of any planned changes, physical alterations or additions to the permitted facility, and prior to commencing such changes.
- (b) Anticipated noncompliance. The Permittee shall give advance notice to the Director of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements.
- (c) Monitoring Reports. Monitoring results shall be reported at the intervals specified in this Permit.
- (d) Compliance schedules. Reports of compliance or noncompliance with, or any progress reports on, interim and final requirements contained in any compliance schedule of this Permit shall be submitted no later than 30 days following each schedule date.
- (e) Twenty-four hour reporting. The Permittee shall report to the Director any noncompliance which may endanger human health or the environment, including:
 - (i) Any monitoring or other information which indicates that any contaminant may cause endangerment to a USDW; or
 - (ii) Any noncompliance with a permit condition or malfunction of the injection system which may cause fluid migration into or between USDWs.

Information shall be provided, either directly or by leaving a message, within twenty-four (24) hours from the time the permittee becomes aware of the circumstances by telephoning (800) 227-8917 and requesting EPA Region VIII UIC Program Compliance and Technical Enforcement Director, or by contacting the EPA Region VIII Emergency Operations Center at (303) 293-1788.

In addition, a follow up written report shall be provided to the Director within five (5) days of the time the Permittee becomes aware of the circumstances. The written submission shall contain a description of the noncompliance and its cause, the period of noncompliance including exact dates and times, and if the noncompliance has not been corrected the anticipated time it is expected to continue; and the steps taken or planned to reduce, eliminate, and prevent recurrence of the noncompliance.

- (f) Oil Spill and Chemical Release Reporting: The Permittee shall comply with all reporting requirements related to the occurrence of oil spills and chemical releases by contacting the National Response Center (NRC) at (800) 424-8802, (202) 267-2675, or through the NRC website <http://www.nrc.uscg.mil/index.htm>.
- (g) Other Noncompliance. The Permittee shall report all instances of noncompliance not reported under paragraphs Part III, Section E Paragraph 11(b) or Section E, Paragraph 11(e) at the time the monitoring reports are submitted. The reports shall contain the information listed in Paragraph 11(e) of this Section.
- (h) Other information. Where the Permittee becomes aware that it failed to submit any relevant facts in the permit application, or submitted incorrect information in a permit application or in any report to the Director, the Permittee shall promptly submit such facts or information to the Director.

Section F. FINANCIAL RESPONSIBILITY

1. Method of Providing Financial Responsibility.

The Permittee shall maintain continuous compliance with the requirement to maintain financial responsibility and resources to close, plug, and abandon the underground injection well(s). No substitution of a demonstration of financial responsibility shall become effective until the Permittee receives written notification from the Director that the alternative demonstration of financial responsibility is acceptable. The Director may, on a periodic basis, require the holder of a permit to revise the estimate of the resources needed to plug and abandon the well to reflect changes in such costs and may require the Permittee to provide a revised demonstration of financial responsibility.

2. Insolvency.

In the event of:

- (a) the bankruptcy of the trustee or issuing institution of the financial mechanism; or
- (b) suspension or revocation of the authority of the trustee institution to act as trustee; or

- (c) the institution issuing the financial mechanism losing its authority to issue such an instrument

the Permittee must notify the Director in writing, within ten (10) business days, and the Permittee must establish other financial assurance or liability coverage acceptable to the Director within sixty (60) days after any event specified in (a), (b), or (c) above.

The Permittee must also notify the Director by certified mail of the commencement of voluntary or involuntary proceedings under Title 11 (Bankruptcy), U.S. Code naming the owner or operator as debtor, within ten (10) business days after the commencement of the proceeding. A guarantor, if named as debtor of a corporate guarantee, must make such a notification as required under the terms of the guarantee.

APPENDIX A

WELL CONSTRUCTION REQUIREMENTS

See Schematic:

The Blackjack Federal No. 4-10-9-17 was drilled to a total depth of 5875 (KB) feet in the Basal Carbonate Member of the Green River Formation.

Surface casing (8-5/8 inch) was set at a depth of 313 feet in a 12-1/4 inch hole using 150 sacks of Class "G" cement which was circulated to the surface.

Production casing (5-1/2 inch) was set at a depth of 5858 feet (KB) in a 7-7/8 inch hole with 325 sacks of Premium Lite II and 425 sacks of 50/50 poz mix. This well construction is considered adequate to protect USDW's.

The EPA calculates the top of cement as 1015 feet from the surface.

The schematic diagram shows the proposed current injection perforations in the Garden Gulch and Douglas Creek Members of the Green River Formation. Additional perforations may be added at a later time between the depths of 3660 feet and the top of the Wasatch Formation (Estimated to be 5985 feet) provided the operator first notifies the Director and later submits an updated well completion report (EPA Form 7520-12) and schematic diagram.

The packer will be required to be set no higher than 100 feet above the top perforation.

Blackjack Federal 4-10-9-17

Spud Date: 6/18/2004
Put on Production: 8/10/2004
GL: 5195' KB 5207'

Proposed Injection Wellbore Diagram

Initial Production: BOPID.
MCFD. BWPID

SURFACE CASING

CSG SIZE: 8 5/8"
GRADE: J-55
WEIGHT: 24#
LENGTH: 7 jts (303.08')
DEPTH LANDED: 313.08' KB *B25C 450W's 105'*
HOLE SIZE: 12 1/4"
CEMENT DATA: 150sxs Class "G" mixed emt, est 2 bbls emt to surf.

PRODUCTION CASING

CSG SIZE: 5 1/2"
GRADE: J-55
WEIGHT: 15.5#
LENGTH: 139 jts (5860.15') *Green River 2050'*
DEPTH LANDED: 5858.15' KB
HOLE SIZE: 7 7/8"
CEMENT DATA: 325 sxs Prem. Lite II mixed & 425 sxs 50/50 POZ mix.
CEMENT TOP AT: 170'

TUBING

SIZE/GRADE/WT: 2 7/8" / J-55 / 6.5#
NO. OF JOINTS: 173 jts (5622.59') *80% Bond*
TUBING ANCHOR: 5634.59' KB
NO. OF JOINTS: 1 jt (32.50')
SEATING NIPPLE: 2 7/8" (1.10')
SN LANDED AT: 5609.89' KB
NO. OF JOINTS: 2 jts (65.04')
TOTAL STRING LENGTH: EOT @ 5736.49' w/ 12' KB

FRAC JOB

08/03/04 5670-5770' **Frac CP5 and 4 sands as follows:**
60,960# 20/40 sand in 516 bbls lightning Frac 17 fluid. Treated @ avg press of 1763 psi w/avg rate of 2.5 BPM. ISIP 1920 psi. Calc flush: 5668 gal. Actual flush: 5712 gal

08/03/04 5488-5546' **Frac CP2 and 1 sands as follows:**
84,733# 20/40 sand in 642 bbls lightning Frac 17 fluid. Treated @ avg press of 1318 psi w/avg rate of 2.4 BPM. ISIP 1640 psi. Calc flush: 5486 gal. Actual flush: 5485 gal.

08/03/04 5111-5119' **Frac A1 sands as follows:**
29,741# 20/40 sand in 326 bbls lightning Frac 17 fluid. Treated @ avg press of 1717 psi w/avg rate of 2.4 BPM. ISIP 1870 psi. Calc flush: 5109 gal. Actual flush: 5107 gal.

08/03/04 4816-4891' **Frac B.5 and C sands as follows:**
65,962# 20/40 sand in 499 bbls lightning Frac 17 fluid. Treated @ avg press of 1913 psi w/avg rate of 2.4 BPM. ISIP 2030 psi. Calc flush: 4814 gal. Actual flush: 4729 gal.

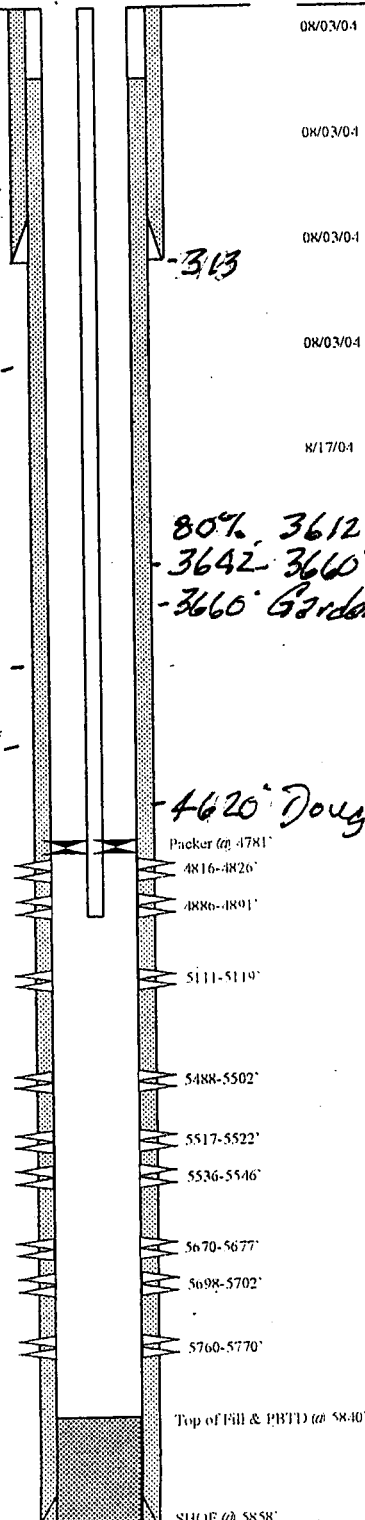
8/17/04 Change polish rod.

*80% 3612'-3712'
-3642' 3660' Confining Zone
-3660' Garden Gulch*

-4620' Douglas Creek

PERFORATION RECORD

| Date | Interval | JSPI | Holes |
|---------|------------|--------|----------|
| 7/29/04 | 5760-5770' | 4 JSPI | 10 holes |
| 7/29/04 | 5698-5702' | 4 JSPI | 16 holes |
| 7/29/04 | 5670-5677' | 4 JSPI | 28 holes |
| 8/03/04 | 5536-5546' | 4 JSPI | 40 holes |
| 8/03/04 | 5517-5522' | 4 JSPI | 20 holes |
| 8/03/04 | 5488-5502' | 4 JSPI | 56 holes |
| 8/03/04 | 5111-5119' | 4 JSPI | 32 holes |
| 8/03/04 | 4886-4891' | 4 JSPI | 20 holes |
| 8/03/04 | 4816-4826' | 4 JSPI | 40 holes |



NEWFIELD

Blackjack Federal 4-10-9-17

398' ENL & 520' FWL

NW/NE Section 10-T9S-R17E

Duchesne Co, Utah

API #43-013-32507; Lease #UTU-65210

SHOE @ 5858'
TD @ 5875' *- 5860' Basal Carbonate*

Est 5985' Kiasateh

MCFD 5/9/05

APPENDIX B

LOGGING AND TESTING REQUIREMENTS

Logs.

Logs will be conducted according to current UIC guidance. It is the responsibility of the permittee to obtain and use guidance prior to conducting any well logging required as a condition of this permit.

NO LOGGING REQUIREMENTS

Tests.

Tests will be conducted according to current UIC guidance. It is the responsibility of the permittee to obtain and use guidance prior to conducting any well test required as a condition of this permit.

WELL NAME: Blackjack Federal 4-10-9-17

| TYPE OF TEST | DATE DUE |
|-------------------------------|--|
| Step Rate Test | Within a 180-day period following commencement of injection. |
| Standard Annulus Pressure | Prior to authorization to inject and at least once every five (5) years thereafter. |
| Pore Pressure | Prior to authorization to inject. |
| Radioactive Tracer Survey (2) | Within a 180-day period following commencement of injection and at least once every five (5) years thereafter. |

APPENDIX C

OPERATING REQUIREMENTS

MAXIMUM ALLOWABLE INJECTION PRESSURE:

Maximum Allowable Injection Pressure (MAIP) as measured at the surface shall not exceed the pressure(s) listed below.

| WELL NAME | MAXIMUM ALLOWED INJECTION PRESSURE (psi) |
|-----------------------------|--|
| | ZONE 1 (Upper) |
| Blackjack Federal 4-10-9-17 | 1,415 |

INJECTION INTERVAL(S):

Injection is permitted only within the approved injection interval listed below. Injection perforations may be altered provided they remain within the approved injection interval and the Permittee provides notice to the Director in accordance with Part II, Section A, Paragraph 6. Specific injection perforations can be found in Appendix A.

| | | | |
|--|--------------------------------------|---------------------|----------------------------|
| WELL NAME: Blackjack Federal 4-10-9-17 | | | |
| FORMATION NAME | APPROVED INJECTION INTERVAL (KB, ft) | | FRACTURE GRADIENT (psi/ft) |
| | TOP | BOTTOM | |
| | Green River | 3,660.00 - 5,985.00 | |

ANNULUS PRESSURE:

The annulus pressure shall be maintained at zero (0) psi as measured at the wellhead. If this pressure cannot be maintained, the Permittee shall follow the procedures listed under Part II, Section C. 6. of this permit.

MAXIMUM INJECTION VOLUME:

There is no limitation on the number of barrels per day (bbls/day) of water that shall be injected into this well, provided further that in no case shall injection pressure exceed that limit shown in Appendix C.

APPENDIX D

MONITORING AND REPORTING PARAMETERS

This is a listing of the parameters required to be observed, recorded, and reported. Refer to the permit Part II, Section D, for detailed requirements for observing, recording, and reporting these parameters.

| OBSERVE MONTHLY AND RECORD AT LEAST ONCE EVERY THIRTY DAYS | |
|--|---|
| OBSERVE AND RECORD | Injection pressure (psig) |
| | Annulus pressure(s) (psig) |
| | Injection rate (bbl/day) |
| | Fluid volume injected since the well began injecting (bbls) |

| ANNUALLY | |
|----------|--|
| ANALYZE | Injected fluid total dissolved solids (mg/l) |
| | Injected fluid specific gravity |
| | Injected fluid specific conductivity |
| | Injected fluid pH |

| ANNUALLY | |
|----------|--|
| REPORT | Each month's maximum and averaged injection pressures (psig) |
| | Each month's maximum and averaged annulus pressure(s) (psig) |
| | Each month's averaged injection rate (bbl/day) |
| | Fluid volume injected since the well began injecting (bbl) |
| | Written results of annual injected fluid analysis |
| | Sources of all fluids injected during the year |

Records of all monitoring activities must be retained and made available for inspection at the following location:

Newfield Production Company
1401 Seventeenth Street - Suite 1000
Denver, CO 80202

APPENDIX E

PLUGGING AND ABANDONMENT REQUIREMENTS

See Schematic:

The Blackjack Federal No. 4-10-9-17 was drilled to a total depth of 5875 (KB) feet in the Basal Carbonate Member of the Green River Formation.

Surface casing (8-5/8 inch) was set at a depth of 313 feet in a 12-1/4 inch hole using 150 sacks of Class "G" cement which was circulated to the surface.

Production casing (5-1/2 inch) was set at a depth of 5858 feet (KB) in a 7-7/8 inch hole with 325 sacks of Premium Lite II and 425 sacks of 50/50 poz mix. This well construction is considered adequate to protect USDW's.

The EPA calculates the top of cement as 1015 feet from the surface.

The schematic diagram shows the proposed current injection perforations in the Garden Gulch and Douglas Creek Members of the Green River Formation. Additional perforations may be added at a later time between the depths of 3660 feet and the top of the Wasatch Formation (Estimated to be 5985 feet) provided the operator first notifies the Director and later submits an updated well completion report (EPA Form 7520-12) and schematic diagram.

The packer will be required to be set no higher than 100 feet above the top perforation.

Blackjack Federal 4-10-9-17

Spud Date: 6/18/2004
 Put on Production: 8/10/2004
 GL: 5195' KB: 5207'

Initial Production: BOPD,
 MCFD, BWPD

Proposed P & A
Wellbore DiagramSURFACE CASING

CSG SIZE: 8 5/8"

GRADE: J-55

WEIGHT: 24#

LENGTH: 7 jts. (303.08')

DEPTH LANDED: 313.08' KB

HOLE SIZE: 12 1/4"

CEMENT DATA: 150 sacks Class "G" mixed cement, est 2 bbls cement to surf.

Cement Top @ 170'

Pump 42 sx Class G Cement down 5 1/2" casing to 363'

-105' Base USDW

Casing Shoe @ 313'

PRODUCTION CASING

CSG SIZE: 5 1/2"

GRADE: J-55

WEIGHT: 15.5#

LENGTH: 139 jts. (5860.15')

DEPTH LANDED: 5858.15' KB

HOLE SIZE: 7 7/8"

CEMENT DATA: 325 sacks Prem. Lite II mixed & 425 sacks 50/50 POZ mix.

CEMENT TOP AT: 170'

*Green River 2050'**-101.5' TOC/EPA*

200' Balanced Plug (25 sx) Class G Cement over water zone 2000' - 2200'

-3880 - 4210' 80% Bond

100' (12 sx) Class G Cement plug on top of CIBP

CIBP @ 4290'

4816-4826'

4886-4891'

5111-5119'

5488-5502'

5517-5522'

5536-5546'

5670-5677'

5698-5702'

5760-5770'

Top of Fill & PBT1 @ 5840'

SHOE @ 5858'

*-5860' Base Carbonate**-5915' - Wash - 5960'***NEWFIELD**

Blackjack Federal 4-10-9-17

398' FNL & 520' FWL

NW/NW Section 10-T9S-R17E

Duchesne Co. Utah

API #43-013-32507, Lease #UTU-65210

MC 50905

APPENDIX F

CORRECTIVE ACTION REQUIREMENTS

No Corrective Action required.

STATEMENT OF BASIS

**NEWFIELD PRODUCTION COMPANY
BLACKJACK FEDERAL 4-10-9-17
DUCHESNE COUNTY, UT**

EPA PERMIT NO. UT21000-06798

CONTACT: Emmett Schmitz
U. S. Environmental Protection Agency
Ground Water Program, 8P-W-GW
999 18th Street, Suite 300
Denver, Colorado 80202-2466
Telephone: 1-800-227-8917 ext. 6174

This STATEMENT OF BASIS gives the derivation of site-specific UIC Permit conditions and reasons for them. Referenced sections and conditions correspond to sections and conditions in the Permit.

EPA UIC permits regulate the injection of fluids into underground injection wells so that the injection does not endanger underground sources of drinking water. EPA UIC permit conditions are based upon the authorities set forth in regulatory provisions at 40 CFR Parts 144 and 146, and address potential impacts to underground sources of drinking water. Under 40 CFR 144.35 Issuance of this permit does not convey any property rights of any sort or any exclusive privilege, nor authorize injury to persons or property or invasion of other private rights, or any infringement of other federal, state or local laws or regulations. Under 40 CFR 144 Subpart D, certain conditions apply to all UIC Permits and may be incorporated either expressly or by reference. General Permit conditions for which the content is mandatory and not subject to site-specific differences (40 CFR Parts 144, 146 and 147) are not discussed in this document.

PART I. General Information and Description of Facility

Newfield Production Company
1401 Seventeenth Street
Suite 1000
Denver, CO 80202

on

May 23, 2005

submitted an application for an Underground Injection Control (UIC) Program Permit or Permit Modification for the following injection well or wells:

Blackjack Federal 4-10-9-17
398' FNL 520' FWL, NWNW S10, T9N, R17E
DUCHESENE County, UT

Regulations specific to Uintah-Ouray Indian Reservation injection wells are found at 40 CFR 147 Subpart TT.

The application, including the required information and data necessary to issue or modify a UIC Permit in accordance with 40 CFR Parts 144, 146 and 147, was reviewed and determined by EPA to be complete.

The Permit will expire upon delegation of primary enforcement responsibility (primacy) for applicable portions of the UIC Program to the Ute Indian Tribe or the State of Utah unless the delegated agency has the authority and chooses to adopt and enforce this Permit as a Tribal or State Permit.

TABLE 1.1 shows the status of the well or wells as "New", "Existing", or "Conversion" and for Existing shows the original date of injection operation. Well authorization "by rule" under 40 CFR Part 144 Subpart C expires automatically on the Effective Date of an issued UIC Permit.

The Blackjack Federal No. 4-10-9-17 is currently an active Green River Formation oil well. The applicant intends to convert the subject well to an injection well to support Green River Formation enhanced oil recovery operations.

| TABLE 1.1 | | |
|---------------------------------|-------------|-------------------|
| WELL STATUS / DATE OF OPERATION | | |
| CONVERSION WELLS | | |
| Well Name | Well Status | Date of Operation |
| Blackjack Federal 4-10-9-17 | Conversion | N/A |

PART II. Permit Considerations (40 CFR 146.24)

The proposed injection well is located in the Newfield Production Company Greater Monument Butte area near the center of the broad, gently northward dipping south flank of the Uinta Basin. The beds dip at about 200'/mile, and there are no known surface folds or faults in the field. The lower 600' to 800' of the Uinta Formation, generally consisting of 5' to 20' thick brown lenticular fluvial sandstone and interbedded varicolored shales, outcrops at the surface in this area. The Uinta is underlain by the Green River Formation which consists of lake (lacustrine) margin sandstones, limestone and shale beds that were deposited along the edges and on the broad level floor of Lake Uinta as it expanded and contracted through time. Underlying the Green River Formation is the Wasatch Formation, which is approximately 2400' thick in this area and consists of red alluvial shales and siltstone with scattered lenticular sandstones usually 10' to 50' thick. Below the Wasatch Formation is the Mesaverde Formation; a series of interbedded continental deposits of shale, sandstone, and coal. Water samples from Mesaverde sands in the nearby Natural Buttes Unit yield highly saline water.

The Uinta Basin is a topographic and structural trough encompassing an area of more than 9300 square mi (14,900 km²) in northeast Utah. The basin is sharply asymmetrical, with a steep north flank bounded by the east-west-trending Uinta Mountains, and a gently dipping south flank. The Uinta Basin formed in Paleocene to Eocene time, creating a large area of internal drainage which was filled by ancestral Lake Uinta. Deposition in and around Lake Uinta consisted of open- to marginal-lacustrine sediments that make up the Green River Formation. Alluvial red-bed deposits that are laterally equivalent to and intertongue with the Green River make up the Colton Formation (Wasatch). More than 450 million barrels of oil (63 MT) have been produced from the Green River and Wasatch Formations in the Uinta Basin. The southern shore of Lake Uinta was very broad and flat, which allowed large transgressive and regressive shifts in the shoreline in response to climatic and tectonic-induced rise and fall of the lake. The cyclic nature of Green River deposition in the southern shore area resulted in numerous stacked deltaic deposits. Distributary-mouth bars, distributary channels, and near-shore bars are the primary producing sandstone reservoirs in the area (Ref: "Reservoir Characterization of the Lower Green River Formation, Southwest Uinta Basin, Utah Biannual Technical Progress Report 4/1/99 - 9/30/99", by C. D. Morgan, Program Manager, November 1999, Contract DE-AC26-98BC15103). The Tertiary Duchesne River Formation alluvium generally is present at the surface in this area.

Throughout the current Newfield Production Company area of enhanced recovery injection activity, i.e., T8-9S - R15-19E, Green River Formation water analyses generally exhibit total dissolved (TDS) content well in excess of 10,000 mg/l. A few recent applications for well conversion to enhanced recovery injection contain Green River water analyses with TDS approximating 10,000 mg/l. The State of Utah-Natural Resources ascribes low TDS values to several possibilities involving dilution of Green River water with high TDS values, e.g., recharge of the Green River Formation via Green River Formation outcrop on the Book Cliffs/Roan Cliffs; injection of very low TDS Johnson Water District Reservoir source water; and percolation of surface water via deep-seated Gilsonite veins penetrating lower Green River Members.

Geologic Setting (TABLE 2.1)

TABLE 2.1
GEOLOGIC SETTING
Blackjack Federal 4-10-9-17

| Formation Name | Top (ft) | Base (ft) | TDS (mg/l) | Lithology |
|----------------|----------|-----------|-------------|--|
| Uinta | 0.00 | 2,050.00 | < 10,000.00 | Alternating lacustrine sand-shale-carbonate and fluvial sand and shale. |
| Green River | 2,050.00 | 5,985.00 | 17,835.00 | Lacustrine sand-shale-carbonate with interbedded fluvial sand and shale. |

Proposed Injection Zone(s) (TABLE 2.2)

An injection zone is a geological formation, group of formations, or part of a formation that receives fluids through a well. The proposed injection zones are listed in TABLE 2.2.

Injection will occur into an injection zone that is separated from USDWs by a confining zone which is free of known open faults or fractures within the Area of Review.

The approved interval for enhanced recovery injection is located between the top of the Garden Gulch Member (3660 feet) and the top of the Wasatch Formation which is estimated at 5985 feet.

TABLE 2.2
INJECTION ZONES
Blackjack Federal 4-10-9-17

| Formation Name | Top (ft) | Base (ft) | TDS (mg/l) | Fracture Gradient (psi/ft) | Porosity | Exempted?* |
|----------------|----------|-----------|------------|----------------------------|----------|------------|
| Green River | 3,660.00 | 5,985.00 | 17,835.00 | 0.730 | | N/A |

* C - Currently Exempted
E - Previously Exempted
P - Proposed Exemption
N/A - Not Applicable

Confining Zone(s) (TABLE 2.3)

A confining zone is a geological formation, part of a formation, or a group of formations that limits fluid movement above the injection zone. The confining zone or zones are listed in TABLE 2.3.

The 18-foot shale Confining Zone is located at the top of the Garden Gulch Formation between the depths of 3642 feet and 3660 feet.

TABLE 2.3
CONFINING ZONES
Blackjack Federal 4-10-9-17

| Formation Name | Formation Lithology | Top (ft) | Base (ft) |
|----------------|---------------------|----------|-----------|
| Green River | Shale | 3,642.00 | 3,660.00 |

Underground Sources of Drinking Water (USDWs) (TABLE 2.4)

Aquifers or the portions thereof which contain less than 10,000 mg/l total dissolved solids (TDS) and are being or could in the future be used as a source of drinking water are considered to be USDWs. The USDWs in the area of this facility are identified in TABLE 2.4.

The State of Utah "Water Wells and Springs", <http://NRWRT1.STATE.UT.US>, identifies no public water supply wells within the one-quarter (1/4) mile Area-of-Review (AOR) around the Blackjack Federal No. 4-10-9-17.

Technical Publication No. 92: State of Utah, Department of Natural Resources, cites the base of Underground Sources of Drinking Water (USDW) in the Uinta Formation, approximately 105 feet from the surface.

TABLE 2.4
UNDERGROUND SOURCES OF DRINKING WATER (USDW)
Blackjack Federal 4-10-9-17

| Formation Name | Formation Lithology | Top (ft) | Base (ft) | TDS (mg/l) |
|----------------|--|----------|-----------|-------------|
| Uinta | Interbedded fluvial sand and shale with lacustrine carbonate-sand and shale. | 0.00 | 105.00 | < 10,000.00 |

PART III. Well Construction (40 CFR 146.22)

The Blackjack Federal No. 4-10-9-17 was drilled to a total depth of 5875 (KB) feet in the Basal Carbonate Member of the Green River Formation.

Surface casing (8-5/8 inch) was set at a depth of 313 feet in a 12-1/4 inch hole using 150 sacks of Class "G" cement which was circulated to the surface.

Production casing (5-1/2 inch) was set at a depth of 5858 feet (KB) in a 7-7/8 inch hole with 325 sacks of Premium Lite II and 425 sacks of 50/50 poz mix. This well construction is considered adequate to protect USDWs.

The EPA calculates the top of cement as 1015 feet from the surface.

The schematic diagram shows the proposed current injection perforations in the Garden Gulch and Douglas Creek Members of the Green River Formation. Additional perforations may be added at a later time between the depths of 3660 feet and the top of the Wasatch Formation (Estimated to be 5985 feet) provided the operator first notifies the Director and later submits an updated well completion report (EPA Form 7520-12) and schematic diagram.

The packer will be required to be set no higher than 100 feet above the top perforation.

TABLE 3.1
WELL CONSTRUCTION REQUIREMENTS
Blackjack Federal 4-10-9-17

| Casing Type | Hole Size (in) | Casing Size (in) | Cased Interval (ft) | Cemented Interval (ft) |
|-------------|----------------|------------------|---------------------|------------------------|
| Production | 7.88 | 5.50 | 0.00 - 5,858.00 | 1,015.00 - 5,875.00 |
| Surface | 12.25 | 8.63 | 0.00 - 313.00 | 0.00 - 313.00 |

The approved well completion plan will be incorporated into the Permit as APPENDIX A and will be binding on the Permittee. Modification of the approved plan is allowed under 40 CFR 144.52(a)(1) provided written approval is obtained from the Director prior to actual modification.

Casing and Cementing (TABLE 3.1)

The construction plan for the well or wells proposed for conversion to an injection well was evaluated and determined to be in conformance with standard practices and guidelines that ensure well injection does not result in the movement of fluids into USDWs. Well construction and conversion details for the well or wells are shown in TABLE 3.1.

Tubing and Packer

Injection tubing is required to be installed from a packer up to the surface inside the well casing. The packer will be set above the uppermost perforation. The tubing and packer are designed to prevent injection fluid from coming into contact with the outermost casing.

Tubing-Casing Annulus (TCA)

The TCA allows the casing, tubing and packer to be pressure-tested periodically for mechanical integrity, and will allow for detection of leaks. The TCA will be filled with fresh water treated with a corrosion inhibitor or other fluid approved by the Director.

The tubing/casing annulus must be kept closed at all times so that it can be monitored as required under the terms of the Permit.

Monitoring Devices

The permittee will be required to install and maintain wellhead equipment that allows for monitoring pressures and providing access for sampling the injected fluid. Required equipment may include but is not limited to: 1) shut-off valves located at the wellhead on the injection tubing and on the TCA; 2) a flow meter that measures the cumulative volume of injected fluid; 3) fittings or pressure gauges attached to the injection tubing and the TCA for monitoring the injection and TCA pressure; and 4) a tap on the injection line, isolated by shut-off valves, for sampling the injected fluid.

All sampling and measurement taken for monitoring must be representative of the monitored activity.

PART IV. Area of Review, Corrective Action Plan (40 CFR 144.55)

TABLE 4.1
AOR AND CORRECTIVE ACTION

| Well Name | Type | Status (Abandoned Y/N) | Total Depth (ft) | TOC Depth (ft) | CAP Required (Y/N) |
|------------------------------------|-------------|-----------------------------------|-----------------------------|---------------------------|-------------------------------|
| Balcron Monument Federal 14-3Y9-17 | Producer | No | 5,750.00 | 1,990.00 | No |
| Castle Draw 1-9-9-17 | Producer | No | 5,750.00 | 2,385.00 | No |

TABLE 4.1 lists the wells in the Area of Review ("AOR") and shows the well type, operating status, depth, top of casing cement ("TOC") and whether a Corrective Action Plan ("CAP") is required for the well.

Area Of Review

Applicants for Class I, II (other than "existing" wells) or III injection well Permits are required to identify the location of all known wells within the injection well's Area of Review (AOR) which penetrate the injection zone, or in the case of Class II wells operating over the fracture pressure of the formation, all known wells within the area of review that penetrate formations which may be affected by increased pressure. Under 40 CFR 146.6 the AOR may be a fixed radius of not less than one quarter (1/4) mile or a calculated zone of endangering influence. For Area Permits, a fixed width of not less than one quarter (1/4) mile for the circumscribing area may be used.

Corrective Action Plan

For wells in the AOR which are improperly sealed, completed, or abandoned, the applicant shall

develop a Corrective Action Plan (CAP) consisting of the steps or modifications that are necessary to prevent movement of fluid into USDWs.

The CAP will be incorporated into the Permit as APPENDIX F and become binding on the permittee.

TABLE 4.1 lists the wells in the AOR, and shows the well type, operating status, depth, top of casing cement and whether a CAP is required for this well.

PART V. Well Operation Requirements (40 CFR 146.23)

TABLE 5.1
INJECTION ZONE PRESSURES
Blackjack Federal 4-10-9-17

| Formation Name | Depth Used to Calculate MAIP (ft) | Fracture Gradient (psi/ft) | Initial MAIP (psi) |
|----------------|-----------------------------------|----------------------------|--------------------|
| Green River | 4,816.00 | 0.730 | 1,415 |

Approved Injection Fluid

The approved injection fluid is limited to Class II injection well fluids pursuant to 40 CFR § 144.6(b). For disposal wells injecting water brought to the surface in connection with natural gas storage operations, or conventional oil or natural gas production, the fluid may be commingled and the well used to inject other Class II wastes such as drilling fluids and spent well completion, treatment and stimulation fluid. Injection of non-exempt wastes, including unused fracturing fluids or acids, gas plant cooling tower cleaning wastes, service wastes and vacuum truck wastes, is prohibited.

The proposed injectate is a blend of source water from the Johnson Water District reservoir and produced water from adjacent wells. The TDS of the injectate is 9702 mg/l.

Injection Pressure Limitation

Injection pressure, measured at the wellhead, shall not exceed a maximum calculated to assure that the pressure used during injection does not initiate new fractures or propagate existing fractures in the confining zones adjacent to the USDWs.

The applicant submitted injection fluid density and injection zone data which was used to calculate a formation fracture pressure and to determine the maximum allowable injection pressure (MAIP), as measured at the surface, for this Permit,

TABLE 5.1 lists the fracture gradient for the injection zone and the approved MAIP, determined according to the following formula:

$$FP = [fg - (0.433 * sg)] * d$$

FP = formation fracture pressure (measured at surface)
fg = fracture gradient (from submitted data or tests)

sg = specific gravity (of injected fluid)
d = depth to top of injection zone (or top perforation)

Injection Volume Limitation

Cumulative injected fluid volume limits are set to assure that injected fluids remain within the boundary of the exempted area. Cumulative injected fluid volume is limited when injection occurs into an aquifer that has been exempted from protection as a USDW.

There will be no restrictions on the cumulative volume of authorized fluid injected into the approved injection interval.

Mechanical Integrity (40 CFR 146.8)

An injection well has mechanical integrity if:

1. there is no significant leak in the casing, tubing, or packer (Part I); and
2. there is no significant fluid movement into a USDW through vertical channels adjacent to the injection well bore (Part II).

The Permit prohibits injection into a well which lacks mechanical integrity.

The Permit requires that the well demonstrate mechanical integrity prior to injection and periodically thereafter. A demonstration of mechanical integrity includes both internal (Part I) and external (Part II). The methods and frequency for demonstrating Part I and Part II mechanical integrity are dependent upon well-specific conditions as explained below.

Well construction and site-specific conditions dictate the following requirements for Mechanical Integrity (MI) demonstrations:

PART I MI: Internal MI will be demonstrated prior to beginning injection. Since this well is constructed with a standard casing, tubing, and packer configuration, a successful mechanical integrity test (MIT) is required to take place at least once every five (5) years. A demonstration of Part I MI is also required prior to resuming injection following any workover operation that affects the casing, tubing or packer. Part I MI may be demonstrated by a standard tubing-casing annulus pressure test using the maximum permitted injection pressure or 1000 psi, whichever is less, with a ten (10) percent or less pressure loss over thirty (30) minutes.

PART II MI: - The CBL indicates that cement does not meet minimum requirements needed to demonstrate zone isolation (at least 18 feet of continuous 80% bond, or better) through the confining zone. Therefore, further testing for Part II MI will be required prior to injection and at least once every five years thereafter. The demonstration shall be by temperature survey or other approved test. Approved tests for demonstrating Part II MI include a temperature survey, noise log or oxygen activation log, and Region 8 may also accept results of a radioactive tracer survey under certain circumstances.

PART VI. Monitoring, Recordkeeping and Reporting Requirements

Injection Well Monitoring Program

At least once a year the permittee must analyze a sample of the injected fluid for total dissolved solids (TDS), specific conductivity, pH, and specific gravity. This analysis shall be reported to EPA annually as part of the Annual Report to the Director. Any time a new source of injected fluid is

added, a fluid analysis shall be made of the new source.

Instantaneous injection pressure, injection flow rate, cumulative fluid volume and TCA pressures must be observed on a weekly basis. A recording, at least once every thirty (30) days, must be made of the injection pressure, injection flow rate and cumulative fluid volume, and the maximum and average value for each must be determined for each month. This information is required to be reported annually as part of the Annual Report to the Director.

PART VII. Plugging and Abandonment Requirements (40 CFR 146.10)

Plugging and Abandonment Plan

Prior to abandonment, the well shall be plugged in a manner that isolates the injection zone and prevents movement of fluid into or between USDWs, and in accordance with other applicable federal, State or local law or regulation. Tubing, packer and other downhole apparatus shall be removed. Cement with additives such as accelerators and retarders that control or enhance cement properties may be used for plugs; however, volume-extending additives and gel cements are not approved for plug use. Plug placement shall be verified by tagging. Plugging gel of at least 9.6 lb/gal shall be placed between all plugs. A minimum 50 ft surface plug shall be set inside and outside of the surface casing to seal pathways for fluid migration into the subsurface. Within sixty (60) days after plugging the owner or operator shall submit Plugging Record (EPA Form 7520-13) to the Director. The Plugging Record must be certified as accurate and complete by the person responsible for the plugging operation. The plugging and abandonment plan is described in Appendix E of the Permit.

The Blackjack Federal No. 4-10-9-17 was drilled to a total depth of 5875 (KB) feet in the Basal Carbonate Member of the Green River Formation.

Surface casing (8-5/8 inch) was set at a depth of 313 feet in a 12-1/4 inch hole using 150 sacks of Class "G" cement which was circulated to the surface.

Production casing (5-1/2 inch) was set at a depth of 5858 feet (KB) in a 7-7/8 inch hole with 325 sacks of Premium Lite II and 425 sacks of 50/50 poz mix. This well construction is considered adequate to protect USDW's.

The EPA calculates the top of cement as 1015 feet from the surface.

The schematic diagram shows the proposed current injection perforations in the Garden Gulch and Douglas Creek Members of the Green River Formation. Additional perforations may be added at a later time between the depths of 3660 feet and the top of the Wasatch Formation (Estimated to be 5985 feet) provided the operator first notifies the Director and later submits an updated well completion report (EPA Form 7520-12) and schematic diagram.

The packer will be required to be set no higher than 100 feet above the top perforation.

PART VIII. Financial Responsibility (40 CFR 144.52)

Demonstration of Financial Responsibility

The permittee is required to maintain financial responsibility and resources to close, plug, and abandon the underground injection operation in a manner prescribed by the Director. The

permittee shall show evidence of such financial responsibility to the Director by the submission of a surety bond, or other adequate assurance such as financial statements or other materials acceptable to the Director. The Regional Administrator may, on a periodic basis, require the holder of a lifetime permit to submit a revised estimate of the resources needed to plug and abandon the well to reflect inflation of such costs, and a revised demonstration of financial responsibility if necessary. Initially, the operator has chosen to demonstrate financial responsibility with:

Financial Statement reviewed and approved by the EPA

Financial Statement, received April 22, 2005

Evidence of continuing financial responsibility is required to be submitted to the Director annually.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

| | | |
|--|--|--|
| 1. TYPE OF WELL: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER | | 5. LEASE DESIGNATION AND SERIAL NUMBER: USA UTU-65210 |
| 2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| 3. ADDRESS OF OPERATOR: Route 3 Box 3630 CITY Myton STATE UT ZIP 84052 | | 7. UNIT or CA AGREEMENT NAME: BLACKJACK UNIT |
| 4. LOCATION OF WELL: FOOTAGES AT SURFACE: 398 FNL 520 FWL | | 8. WELL NAME and NUMBER: BLACKJACK FEDERAL 4-10-9-17 |
| OTR/OTR. SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW, 10, T9S, R17E | | 9. API NUMBER: 4301332507 |
| | | 10. FIELD AND POOL, OR WILDCAT: MONUMENT BUTTE |
| | | COUNTY: DUCHESNE |
| | | STATE: UT |

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|--|
| <input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will 08/06/2009 | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> REPERFORATE CURRENT FORMATION | |
| | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> SIDETRACK TO REPAIR WELL | |
| | <input type="checkbox"/> CASING REPAIR | <input type="checkbox"/> NEW CONSTRUCTION | <input type="checkbox"/> TEMPORARITLY ABANDON | |
| | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> TUBING REPAIR | |
| | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> VENT OR FLAIR | |
| <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of Work Completion: | <input type="checkbox"/> CHANGE WELL NAME | <input type="checkbox"/> PLUG BACK | <input type="checkbox"/> WATER DISPOSAL | |
| | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> PRODUCTION (START/STOP) | <input type="checkbox"/> WATER SHUT-OFF | |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input checked="" type="checkbox"/> OTHER: - Change status put well on injection | |
| | <input checked="" type="checkbox"/> CONVERT WELL TYPE | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION | | |

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The above reference well was put on injection at 10:00 AM on 8-6-09.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

NAME (PLEASE PRINT) Kathy Chapman TITLE Office Manager
SIGNATURE  DATE 08/06/2009

(This space for State use only)

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AUG 10 2009
DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

| | | |
|---|--|--|
| 1. TYPE OF WELL: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER | | 5. LEASE DESIGNATION AND SERIAL NUMBER: USA UTU-65210 |
| 2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| 3. ADDRESS OF OPERATOR: Route 3 Box 3630 CITY Myton STATE UT ZIP 84052 | | 7. UNIT or CA AGREEMENT NAME: BLACKJACK UNIT |
| 4. LOCATION OF WELL: FOOTAGES AT SURFACE: 398 FNL 520 FWL | | 8. WELL NAME and NUMBER: BLACKJACK FEDERAL 4-10-9-17 |
| OTR/OTR. SECTION. TOWNSHIP. RANGE. MERIDIAN: NWNW, 10, T9S, R17E | | 9. API NUMBER: 4301332507 |
| | | 10. FIELD AND POOL, OR WILDCAT: MONUMENT BUTTE |
| | | COUNTY: DUCHESNE |
| | | STATE: UT |

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|---|---|---|--|
| <input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will _____ | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
| | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> SIDETRACK TO REPAIR WELL |
| | <input type="checkbox"/> CASING REPAIR | <input type="checkbox"/> NEW CONSTRUCTION | <input type="checkbox"/> TEMPORARITLY ABANDON |
| | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> TUBING REPAIR |
| | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> VENT OR FLAIR |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of Work Completion: <u>07/08/2009</u> | <input type="checkbox"/> CHANGE WELL NAME | <input type="checkbox"/> PLUG BACK | <input type="checkbox"/> WATER DISPOSAL |
| | <input checked="" type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> PRODUCTION (START/STOP) | <input type="checkbox"/> WATER SHUT-OFF |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input type="checkbox"/> OTHER: - |
| | <input checked="" type="checkbox"/> CONVERT WELL TYPE | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION | |

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The subject well has been converted from a producing oil well to an injection well on 06/26/09. Two new interval was added, the GB2 snds 3996'-4003' 4JSPF, 28 shots, GB2 4008'-4011' 4 JSPF 12 shots. On 04/01/09 Steven Pratt with the EPA was contacted concerning the initial MIT on the above listed well. Permission was given at that time to perform the test on 04/08/09. On 07/01/09 the casing was pressured up to 1260 psig and charted for 30 minutes with no pressure loss. The well was not injecting during the test. The tubing pressure was 0 psig during the test. There was not an EPA representative available to witness the test. EPA# UT21000-06798 API# 43-013-32507

**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY**

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JUL 13 2009

DIV. OF OIL, GAS & MINING

| | |
|---|------------------------------|
| NAME (PLEASE PRINT) <u>Jentri Park</u> | TITLE <u>Production Tech</u> |
| SIGNATURE  | DATE <u>07/08/2009</u> |

(This space for State use only)

Mechanical Integrity Test

Casing or Annulus Pressure Mechanical Integrity Test

U.S. Environmental Protection Agency
Underground Injection Control Program
999 18th Street, Suite 500 Denver, CO 80202-2466

EPA Witness: _____ Date: 7 / 1 / 2009
Test conducted by: Ted Whitehead
Others present: _____

| | | |
|---|--|------------------|
| Well Name: <u>BLACKJACK Federal 4-10-9-17</u> | Type: ER SWD | Status: AC TA UC |
| Field: <u>MONUMENT BUTTE</u> | | |
| Location: <u>NW/NW</u> Sec: <u>10</u> T <u>9</u> N / <u>S</u> R <u>17</u> <u>E</u> / W County: <u>Duchesne</u> State: <u>UT</u> | | |
| Operator: <u>NEWFIELD EXPLORATION</u> | | |
| Last MIT: <u> </u> / <u> </u> / <u> </u> | Maximum Allowable Pressure: _____ PSIG | |

Is this a regularly scheduled test? ☐ Yes ☒ No
Initial test for permit? ☒ Yes ☐ No
Test after well rework? ☐ Yes ☒ No
Well injecting during test? ☐ Yes ☒ No If Yes, rate: _____ bpd

Pre-test casing/tubing annulus pressure: 0 psig

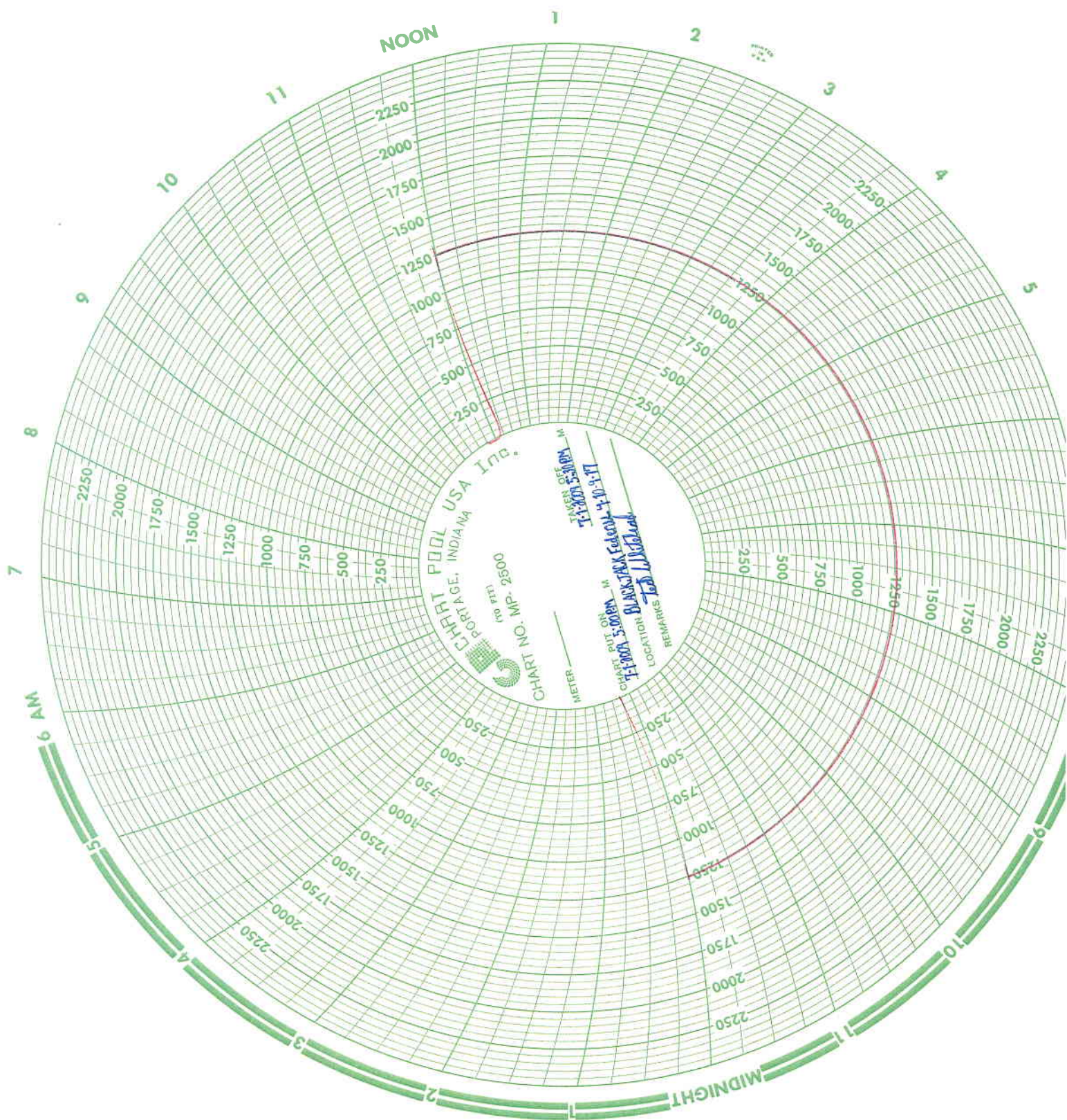
| MIT DATA TABLE | | Test #1 | Test #2 | Test #3 |
|------------------------|--|---|---|---|
| TUBING | | PRESSURE | | |
| Initial Pressure | <u>0</u> psig | psig | psig | psig |
| End of test pressure | <u>0</u> psig | psig | psig | psig |
| CASING / TUBING | | ANNULUS PRESSURE | | |
| 0 minutes | <u>1260</u> psig | psig | psig | psig |
| 5 minutes | <u>1260</u> psig | psig | psig | psig |
| 10 minutes | <u>1260</u> psig | psig | psig | psig |
| 15 minutes | <u>1260</u> psig | psig | psig | psig |
| 20 minutes | <u>1260</u> psig | psig | psig | psig |
| 25 minutes | <u>1260</u> psig | psig | psig | psig |
| 30 minutes | <u>1260</u> psig | psig | psig | psig |
| _____ minutes | psig | psig | psig | psig |
| _____ minutes | psig | psig | psig | psig |
| RESULT | <input checked="" type="checkbox"/> Pass <input type="checkbox"/> Fail | <input type="checkbox"/> Pass <input type="checkbox"/> Fail | <input type="checkbox"/> Pass <input type="checkbox"/> Fail | <input type="checkbox"/> Pass <input type="checkbox"/> Fail |

Does the annulus pressure build back up after the test? ☐ Yes ☐ No

MECHANICAL INTEGRITY PRESSURE TEST

Additional comments for mechanical integrity pressure test, such as volume of fluid added to annulus and bled back at end of test, reason for failing test (casing head leak, tubing leak, other), etc.:

Signature of Witness: _____



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELL
Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

SUBMIT IN TRIPLICATE - Other Instructions on page 2

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

NEWFIELD PRODUCTION COMPANY

3a. Address Route 3 Box 3630
Myton, UT 84052

3b. Phone (include area code)
435.646.3721

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

398 FNL 520 FWL

NWNW Section 10 T9S R17E

5. Lease Serial No.

USA UTU-65210

6. If Indian, Allottee or Tribe Name.

7. If Unit or CA/Agreement, Name and/or
GMBU

8. Well Name and No.

BLACKJACK FEDERAL 4-10-9-17

9. API Well No.

4301332507

10. Field and Pool, or Exploratory Area

MONUMENT BUTTE

11. County or Parish, State

DUCHESNE, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|--|---|--|---|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other _____ |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug & Abandon | <input type="checkbox"/> Temporarily Abandon | Step Rate Test _____ |
| | <input type="checkbox"/> Convert to Injector | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation: (Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

A step rate test was conducted on the subject well on January 12, 2010. Results from the test indicate that the fracture gradient is .735 psi/ft. Therefore, Newfield is requesting that the maximum allowable injection pressure (MAIP) be changed to 1180 psi.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

I hereby certify that the foregoing is true and
correct *Printed/ Typed*

Chevenne Bateman

Signature



Title

Well Analyst Foreman

Date

01/18/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or
certify that the applicant holds legal or equitable title to those rights in the subject lease
which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United
States any false, fictitious and fraudulent statements or representations as to any matter within its jurisdiction

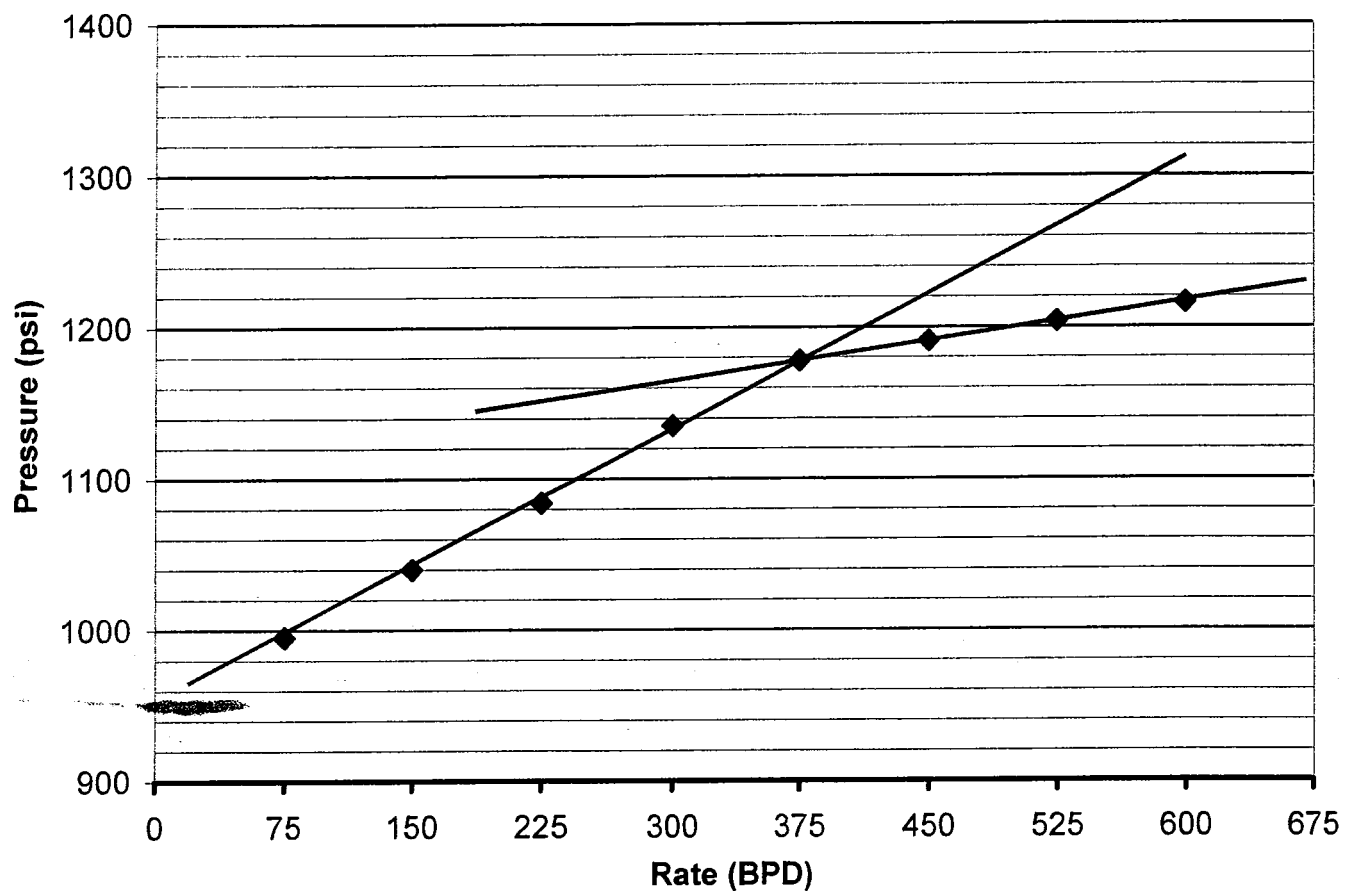
(Instructions on page 2)

RECEIVED

JAN 25 2010

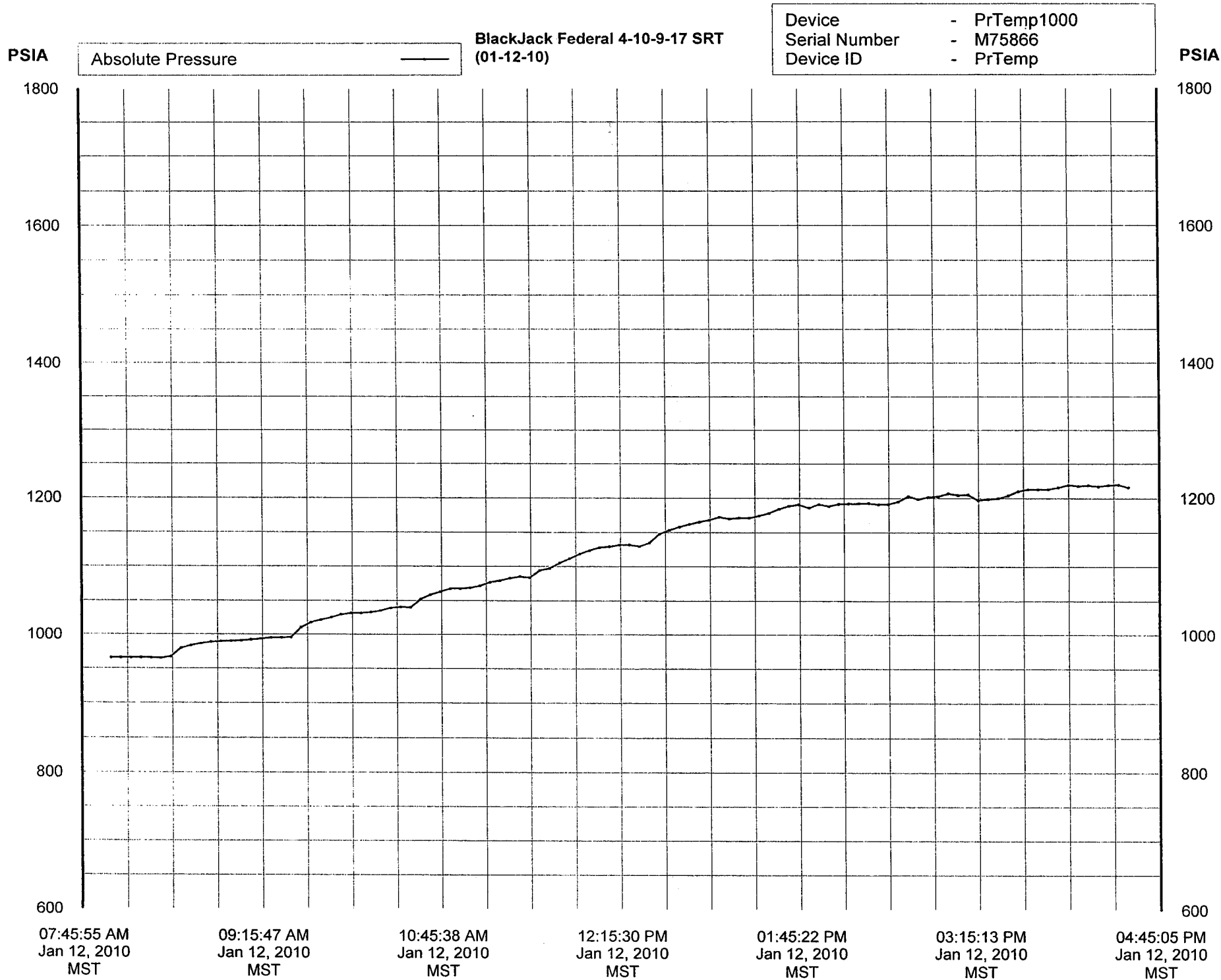
DIV. OF OIL, GAS & MINING

BlackJack Federal 4-10-9-17
BlackJack Unit
Step Rate Test
January 12, 2010



Start Pressure: 967 psi
Instantaneous Shut In Pressure (ISIP): 1199 psi
Top Perforation: 3996 feet
Fracture pressure (Pfp): 1180 psi
FG: 0.735 psi/ft

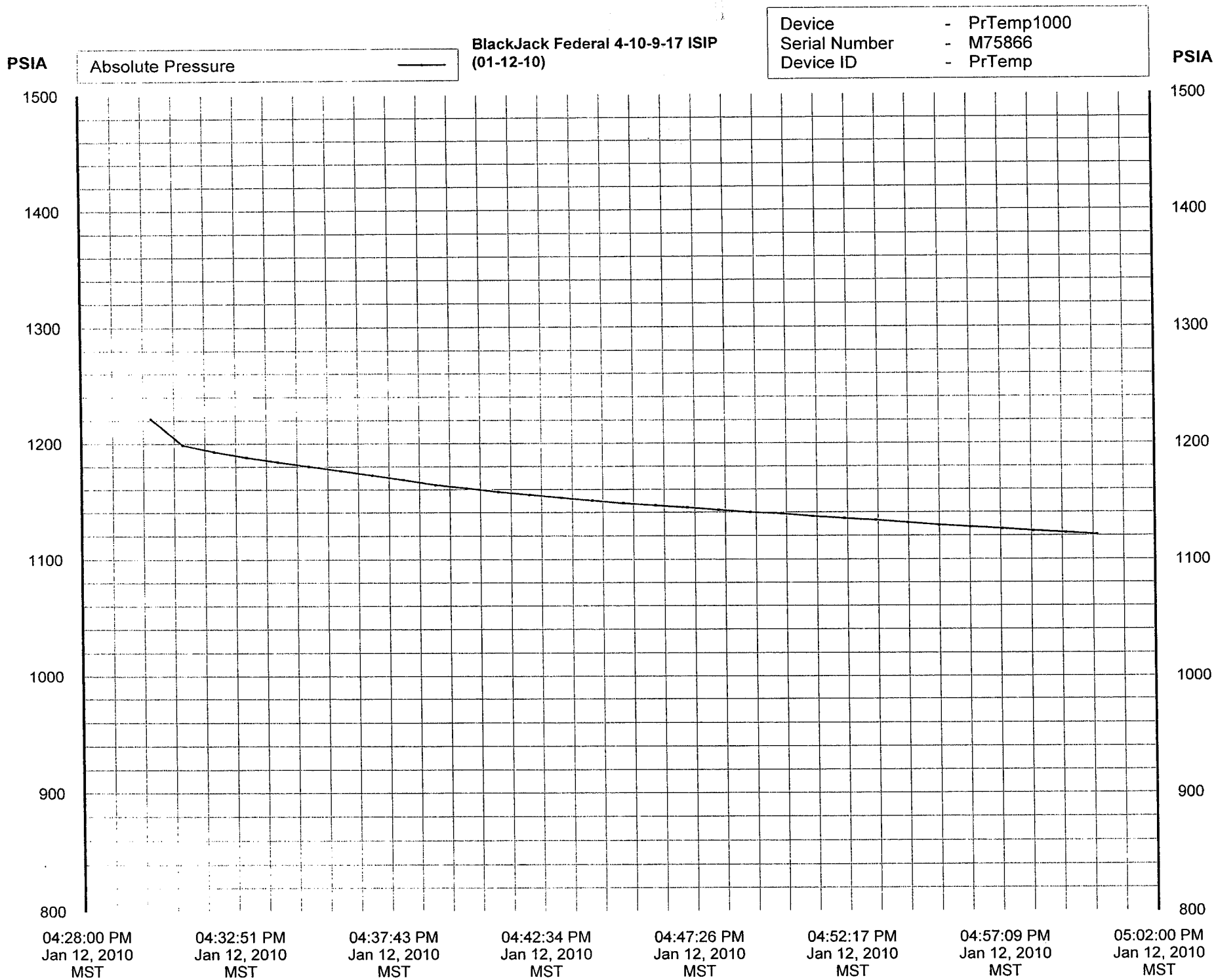
| Step | Rate(bpd) | Pressure(psi) |
|------|-----------|---------------|
| 1 | 75 | 995 |
| 2 | 150 | 1040 |
| 3 | 225 | 1084 |
| 4 | 300 | 1135 |
| 5 | 375 | 1178 |
| 6 | 450 | 1191 |
| 7 | 525 | 1204 |
| 8 | 600 | 1216 |



Report Name: PrTemp1000 Data Table
 Report Date: Jan 13, 2010 09:19:14 AM MST
 File Name: C:\Program Files\PTC\Instruments 2.00\Blackjack Federal 4-10-9-17 SRT (01-12-10).csv
 Title: BlackJack Federal 4-10-9-17 SRT (01-12-10)
 Device: PrTemp1000 - Temperature and Pressure Recorder
 Hardware Revision: REV2C (64K)
 Serial Number: M75866
 Device ID: PrTemp
 Data Start Date: Jan 12, 2010 08:00:00 AM MST
 Data End Date: Jan 12, 2010 04:30:00 PM MST
 Reading Rate: 2 Seconds
 Readings: 1 to 103 of 103
 Last Calibration Date: May 22, 2009
 Next Calibration Date: May 22, 2010

| <u>Reading</u> | <u>Date and Time (MST)</u> | <u>Absolute Pressure</u> | <u>Annotation</u> |
|----------------|----------------------------|--------------------------|-------------------|
| 1 | Jan 12, 2010 08:00:00 AM | 965.200 | PSIA |
| 2 | Jan 12, 2010 08:04:59 AM | 965.200 | PSIA |
| 3 | Jan 12, 2010 08:10:00 AM | 965.200 | PSIA |
| 4 | Jan 12, 2010 08:15:00 AM | 965.400 | PSIA |
| 5 | Jan 12, 2010 08:20:00 AM | 965.200 | PSIA |
| 6 | Jan 12, 2010 08:24:59 AM | 964.800 | PSIA |
| 7 | Jan 12, 2010 08:29:59 AM | 966.800 | PSIA |
| 8 | Jan 12, 2010 08:35:00 AM | 979.200 | PSIA |
| 9 | Jan 12, 2010 08:40:00 AM | 983.400 | PSIA |
| 10 | Jan 12, 2010 08:45:00 AM | 986.200 | PSIA |
| 11 | Jan 12, 2010 08:50:00 AM | 988.400 | PSIA |
| 12 | Jan 12, 2010 08:55:00 AM | 989.200 | PSIA |
| 13 | Jan 12, 2010 08:59:59 AM | 989.800 | PSIA |
| 14 | Jan 12, 2010 09:04:59 AM | 990.400 | PSIA |
| 15 | Jan 12, 2010 09:10:00 AM | 991.800 | PSIA |
| 16 | Jan 12, 2010 09:15:02 AM | 993.200 | PSIA |
| 17 | Jan 12, 2010 09:20:00 AM | 994.600 | PSIA |
| 18 | Jan 12, 2010 09:25:00 AM | 994.800 | PSIA |
| 19 | Jan 12, 2010 09:30:00 AM | 995.200 | PSIA |
| 20 | Jan 12, 2010 09:35:00 AM | 1010.200 | PSIA |
| 21 | Jan 12, 2010 09:40:00 AM | 1017.600 | PSIA |
| 22 | Jan 12, 2010 09:45:00 AM | 1021.400 | PSIA |
| 23 | Jan 12, 2010 09:50:00 AM | 1024.800 | PSIA |
| 24 | Jan 12, 2010 09:55:00 AM | 1029.400 | PSIA |
| 25 | Jan 12, 2010 10:00:00 AM | 1031.600 | PSIA |
| 26 | Jan 12, 2010 10:05:00 AM | 1031.400 | PSIA |
| 27 | Jan 12, 2010 10:10:00 AM | 1032.800 | PSIA |
| 28 | Jan 12, 2010 10:15:00 AM | 1035.200 | PSIA |
| 29 | Jan 12, 2010 10:20:00 AM | 1039.400 | PSIA |
| 30 | Jan 12, 2010 10:25:00 AM | 1040.600 | PSIA |
| 31 | Jan 12, 2010 10:29:59 AM | 1040.200 | PSIA |
| 32 | Jan 12, 2010 10:35:00 AM | 1051.800 | PSIA |
| 33 | Jan 12, 2010 10:40:00 AM | 1058.400 | PSIA |
| 34 | Jan 12, 2010 10:45:00 AM | 1063.000 | PSIA |
| 35 | Jan 12, 2010 10:50:00 AM | 1067.600 | PSIA |
| 36 | Jan 12, 2010 10:55:00 AM | 1067.600 | PSIA |
| 37 | Jan 12, 2010 11:00:00 AM | 1068.800 | PSIA |
| 38 | Jan 12, 2010 11:04:59 AM | 1071.600 | PSIA |
| 39 | Jan 12, 2010 11:09:59 AM | 1076.800 | PSIA |
| 40 | Jan 12, 2010 11:15:00 AM | 1079.200 | PSIA |
| 41 | Jan 12, 2010 11:20:00 AM | 1082.800 | PSIA |
| 42 | Jan 12, 2010 11:25:00 AM | 1085.200 | PSIA |
| 43 | Jan 12, 2010 11:30:00 AM | 1083.600 | PSIA |
| 44 | Jan 12, 2010 11:35:00 AM | 1094.200 | PSIA |
| 45 | Jan 12, 2010 11:40:00 AM | 1097.200 | PSIA |
| 46 | Jan 12, 2010 11:45:00 AM | 1105.000 | PSIA |
| 47 | Jan 12, 2010 11:50:00 AM | 1111.400 | PSIA |
| 48 | Jan 12, 2010 11:55:00 AM | 1118.400 | PSIA |
| 49 | Jan 12, 2010 12:00:00 PM | 1123.600 | PSIA |
| 50 | Jan 12, 2010 12:05:00 PM | 1127.800 | PSIA |
| 51 | Jan 12, 2010 12:10:00 PM | 1129.200 | PSIA |
| 52 | Jan 12, 2010 12:15:00 PM | 1131.800 | PSIA |
| 53 | Jan 12, 2010 12:19:59 PM | 1131.800 | PSIA |
| 54 | Jan 12, 2010 12:25:00 PM | 1129.400 | PSIA |
| 55 | Jan 12, 2010 12:29:59 PM | 1134.800 | PSIA |
| 56 | Jan 12, 2010 12:34:59 PM | 1147.400 | PSIA |
| 57 | Jan 12, 2010 12:40:00 PM | 1153.600 | PSIA |
| 58 | Jan 12, 2010 12:45:00 PM | 1158.200 | PSIA |
| 59 | Jan 12, 2010 12:50:00 PM | 1162.200 | PSIA |

| | | | |
|-----|--------------------------|----------|------|
| 60 | Jan 12, 2010 12:54:59 PM | 1165.600 | PSIA |
| 61 | Jan 12, 2010 01:00:00 PM | 1168.200 | PSIA |
| 62 | Jan 12, 2010 01:05:00 PM | 1172.400 | PSIA |
| 63 | Jan 12, 2010 01:09:59 PM | 1170.000 | PSIA |
| 64 | Jan 12, 2010 01:15:00 PM | 1171.400 | PSIA |
| 65 | Jan 12, 2010 01:20:00 PM | 1171.200 | PSIA |
| 66 | Jan 12, 2010 01:24:59 PM | 1174.400 | PSIA |
| 67 | Jan 12, 2010 01:30:00 PM | 1178.000 | PSIA |
| 68 | Jan 12, 2010 01:35:00 PM | 1184.200 | PSIA |
| 69 | Jan 12, 2010 01:40:00 PM | 1188.600 | PSIA |
| 70 | Jan 12, 2010 01:45:02 PM | 1190.800 | PSIA |
| 71 | Jan 12, 2010 01:50:00 PM | 1185.800 | PSIA |
| 72 | Jan 12, 2010 01:55:00 PM | 1191.200 | PSIA |
| 73 | Jan 12, 2010 02:00:00 PM | 1188.200 | PSIA |
| 74 | Jan 12, 2010 02:04:59 PM | 1191.600 | PSIA |
| 75 | Jan 12, 2010 02:09:59 PM | 1192.000 | PSIA |
| 76 | Jan 12, 2010 02:14:59 PM | 1192.400 | PSIA |
| 77 | Jan 12, 2010 02:20:00 PM | 1192.600 | PSIA |
| 78 | Jan 12, 2010 02:24:59 PM | 1191.000 | PSIA |
| 79 | Jan 12, 2010 02:29:59 PM | 1191.200 | PSIA |
| 80 | Jan 12, 2010 02:34:59 PM | 1195.000 | PSIA |
| 81 | Jan 12, 2010 02:40:00 PM | 1202.800 | PSIA |
| 82 | Jan 12, 2010 02:45:00 PM | 1198.400 | PSIA |
| 83 | Jan 12, 2010 02:50:00 PM | 1201.600 | PSIA |
| 84 | Jan 12, 2010 02:55:00 PM | 1202.600 | PSIA |
| 85 | Jan 12, 2010 03:00:00 PM | 1206.800 | PSIA |
| 86 | Jan 12, 2010 03:04:59 PM | 1204.400 | PSIA |
| 87 | Jan 12, 2010 03:10:00 PM | 1205.200 | PSIA |
| 88 | Jan 12, 2010 03:15:00 PM | 1197.200 | PSIA |
| 89 | Jan 12, 2010 03:19:59 PM | 1198.600 | PSIA |
| 90 | Jan 12, 2010 03:24:59 PM | 1200.000 | PSIA |
| 91 | Jan 12, 2010 03:29:59 PM | 1204.000 | PSIA |
| 92 | Jan 12, 2010 03:34:59 PM | 1210.000 | PSIA |
| 93 | Jan 12, 2010 03:39:59 PM | 1212.600 | PSIA |
| 94 | Jan 12, 2010 03:44:59 PM | 1212.600 | PSIA |
| 95 | Jan 12, 2010 03:49:59 PM | 1213.000 | PSIA |
| 96 | Jan 12, 2010 03:54:59 PM | 1215.600 | PSIA |
| 97 | Jan 12, 2010 03:59:59 PM | 1219.200 | PSIA |
| 98 | Jan 12, 2010 04:04:59 PM | 1217.600 | PSIA |
| 99 | Jan 12, 2010 04:10:00 PM | 1218.600 | PSIA |
| 100 | Jan 12, 2010 04:14:59 PM | 1217.000 | PSIA |
| 101 | Jan 12, 2010 04:19:59 PM | 1218.800 | PSIA |
| 102 | Jan 12, 2010 04:24:59 PM | 1219.400 | PSIA |
| 103 | Jan 12, 2010 04:30:00 PM | 1215.600 | PSIA |




Report Name: PrTemp1000 Data Table
 Report Date: Jan 13, 2010 09:19:05 AM MST
 File Name: C:\Program Files\PTC® Instruments 2.00\Blackjack Federal 4-10-9-17 ISIP (01-12-10).csv
 Title: BlackJack Federal 4-10-9-17 ISIP (01-12-10)
 Device: PrTemp1000 - Temperature and Pressure Recorder
 Hardware Revision: REV2C (64K)
 Serial Number: M75866
 Device ID: PrTemp
 Data Start Date: Jan 12, 2010 04:30:11 PM MST
 Data End Date: Jan 12, 2010 05:00:11 PM MST
 Reading Rate: 2 Seconds
 Readings: 1 to 31 of 31
 Last Calibration Date: May 22, 2009
 Next Calibration Date: May 22, 2010

| <u>Reading</u> | <u>Date and Time (MST)</u> | <u>Absolute Pressure</u> | <u>Annotation</u> |
|----------------|----------------------------|--------------------------|-------------------|
| 1 | Jan 12, 2010 04:30:11 PM | 1221.400 | PSIA |
| 2 | Jan 12, 2010 04:31:11 PM | 1198.800 | PSIA |
| 3 | Jan 12, 2010 04:32:10 PM | 1193.000 | PSIA |
| 4 | Jan 12, 2010 04:33:12 PM | 1188.000 | PSIA |
| 5 | Jan 12, 2010 04:34:11 PM | 1184.000 | PSIA |
| 6 | Jan 12, 2010 04:35:10 PM | 1180.200 | PSIA |
| 7 | Jan 12, 2010 04:36:11 PM | 1176.200 | PSIA |
| 8 | Jan 12, 2010 04:37:11 PM | 1172.400 | PSIA |
| 9 | Jan 12, 2010 04:38:11 PM | 1168.400 | PSIA |
| 10 | Jan 12, 2010 04:39:12 PM | 1164.000 | PSIA |
| 11 | Jan 12, 2010 04:40:11 PM | 1161.200 | PSIA |
| 12 | Jan 12, 2010 04:41:12 PM | 1157.800 | PSIA |
| 13 | Jan 12, 2010 04:42:11 PM | 1155.200 | PSIA |
| 14 | Jan 12, 2010 04:43:12 PM | 1152.600 | PSIA |
| 15 | Jan 12, 2010 04:44:11 PM | 1150.400 | PSIA |
| 16 | Jan 12, 2010 04:45:10 PM | 1148.000 | PSIA |
| 17 | Jan 12, 2010 04:46:11 PM | 1146.200 | PSIA |
| 18 | Jan 12, 2010 04:47:11 PM | 1144.400 | PSIA |
| 19 | Jan 12, 2010 04:48:11 PM | 1142.200 | PSIA |
| 20 | Jan 12, 2010 04:49:11 PM | 1140.200 | PSIA |
| 21 | Jan 12, 2010 04:50:11 PM | 1138.800 | PSIA |
| 22 | Jan 12, 2010 04:51:10 PM | 1136.600 | PSIA |
| 23 | Jan 12, 2010 04:52:11 PM | 1134.800 | PSIA |
| 24 | Jan 12, 2010 04:53:11 PM | 1133.200 | PSIA |
| 25 | Jan 12, 2010 04:54:12 PM | 1131.000 | PSIA |
| 26 | Jan 12, 2010 04:55:11 PM | 1128.800 | PSIA |
| 27 | Jan 12, 2010 04:56:11 PM | 1127.200 | PSIA |
| 28 | Jan 12, 2010 04:57:12 PM | 1125.600 | PSIA |
| 29 | Jan 12, 2010 04:58:10 PM | 1123.800 | PSIA |
| 30 | Jan 12, 2010 04:59:12 PM | 1122.400 | PSIA |
| 31 | Jan 12, 2010 05:00:11 PM | 1120.800 | PSIA |

BlackJack Federal 4-10-9-17 Rate Sheet (01-12-10)

| | | | | | | | |
|-----------------|-------|-------|-------|-------|-------|-------|-------|
| <i>Step # 1</i> | Time: | 8:35 | 8:40 | 8:45 | 8:50 | 8:55 | 9:00 |
| | Rate: | 75.4 | 75.4 | 75.4 | 75.3 | 75.3 | 75.3 |
| | Time: | 9:05 | 9:10 | 9:15 | 9:20 | 9:25 | 9:30 |
| | Rate: | 75.3 | 75.3 | 75.2 | 75.2 | 75.2 | 75.2 |
| <i>Step # 2</i> | Time: | 9:35 | 9:40 | 9:45 | 9:50 | 9:55 | 10:00 |
| | Rate: | 150.5 | 150.5 | 150.4 | 150.4 | 150.4 | 150.3 |
| | Time: | 10:05 | 10:10 | 10:15 | 10:20 | 10:25 | 10:30 |
| | Rate: | 150.3 | 150.2 | 150.2 | 150.1 | 150.1 | 150.1 |
| <i>Step # 3</i> | Time: | 10:35 | 10:40 | 10:45 | 10:50 | 10:55 | 11:00 |
| | Rate: | 225.5 | 225.5 | 225.5 | 225.4 | 225.4 | 225.4 |
| | Time: | 11:05 | 11:10 | 11:15 | 11:20 | 11:25 | 11:30 |
| | Rate: | 225.3 | 225.3 | 225.3 | 225.3 | 225.2 | 225.2 |
| <i>Step # 4</i> | Time: | 11:35 | 11:40 | 11:45 | 11:50 | 11:55 | 12:00 |
| | Rate: | 300.3 | 300.3 | 300.3 | 300.2 | 300.2 | 300.2 |
| | Time: | 12:05 | 12:10 | 12:15 | 12:20 | 12:25 | 12:30 |
| | Rate: | 300.2 | 300.2 | 300.1 | 300.1 | 300.1 | 300.1 |
| <i>Step # 5</i> | Time: | 12:35 | 12:40 | 12:45 | 12:50 | 12:55 | 1:00 |
| | Rate: | 375.6 | 375.6 | 375.6 | 375.6 | 375.5 | 375.4 |
| | Time: | 1:05 | 1:10 | 1:15 | 1:20 | 1:25 | 1:30 |
| | Rate: | 375.4 | 375.4 | 375.3 | 375.3 | 375.3 | 375.3 |
| <i>Step # 6</i> | Time: | 1:35 | 1:40 | 1:45 | 1:50 | 1:55 | 2:00 |
| | Rate: | 450.5 | 450.4 | 450.4 | 450.4 | 450.4 | 450.3 |
| | Time: | 2:05 | 2:10 | 2:15 | 2:20 | 2:25 | 2:30 |
| | Rate: | 450.3 | 450.3 | 450.2 | 450.2 | 450.2 | 450.1 |
| <i>Step # 7</i> | Time: | 2:35 | 2:40 | 2:45 | 2:50 | 2:55 | 3:00 |
| | Rate: | 525.6 | 525.6 | 525.4 | 525.4 | 525.4 | 525.3 |
| | Time: | 3:05 | 3:10 | 3:15 | 3:20 | 3:25 | 3:30 |
| | Rate: | 525.3 | 525.3 | 525.2 | 525.2 | 525.2 | 525.2 |
| <i>Step # 8</i> | Time: | 3:35 | 3:40 | 3:45 | 3:50 | 3:55 | 4:00 |
| | Rate: | 600.6 | 600.5 | 600.5 | 600.4 | 600.4 | 600.3 |
| | Time: | 4:05 | 4:10 | 4:15 | 4:20 | 4:25 | 4:30 |
| | Rate: | 600.3 | 600.3 | 600.2 | 600.2 | 600.2 | 600.2 |

| | | |
|---|--|---|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | | FORM 9 |
| SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | | 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-65210 |
| 1. TYPE OF WELL Water Injection Well | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| 2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY | | 7. UNIT or CA AGREEMENT NAME: GMBU (GRRV) |
| 3. ADDRESS OF OPERATOR: Rt 3 Box 3630, Myton, UT, 84052 | | 8. WELL NAME and NUMBER: BLACKJACK FED 4-10-9-17 |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 0398 FNL 0520 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNW Section: 10 Township: 09.0S Range: 17.0E Meridian: S | | 9. API NUMBER: 43013325070000 |
| PHONE NUMBER: 435 646-4825 Ext | | 9. FIELD and POOL or WILDCAT: MONUMENT BUTTE |
| COUNTY: DUCHESNE | | STATE: UTAH |
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA | | |
| TYPE OF SUBMISSION | TYPE OF ACTION | |
| <input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: | <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION | |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 5/30/2014 | <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input checked="" type="checkbox"/> OTHER | |
| <input type="checkbox"/> SPUD REPORT Date of Spud: | <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION | |
| <input type="checkbox"/> DRILLING REPORT Report Date: | OTHER: 5 YR MIT | |
| 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. 5 YR MIT performed on the above listed well. On 05/30/2014 the casing was pressured up to 1305 psig and charted for 30 minutes with no pressure loss. The well was not injecting during the test. The tbq pressure was 1500 psig during the test. There was not an EPA representative available to witness the test. EPA #UT22197-06798 | | |
| Approved by the Utah Division of Oil, Gas and Mining June 05, 2014 Date: _____ By:  | | |
| NAME (PLEASE PRINT) Lucy Chavez-Naupoto | PHONE NUMBER 435 646-4874 | TITLE Water Services Technician |
| SIGNATURE N/A | | DATE 6/3/2014 |

Mechanical Integrity Test

Casing or Annulus Pressure Mechanical Integrity Test

U.S. Environmental Protection Agency
Underground Injection Control Program
999 18th Street, Suite 500 Denver, CO 80202-2466

EPA Witness: _____ Date: 5 / 30 / 2014
Test conducted by: Kane Stevenson
Others present: _____

| | | |
|---|-----------------------------------|---|
| Well Name: <u>Blackhawk Federal 4-10-9-17</u> | Type: <u>ER SWD</u> | Status: <u>AC TA UC</u> |
| Field: <u>Monument Butte</u> | | |
| Location: <u>4</u> | Sec: <u>10</u> | T <u>9</u> N/S R <u>17</u> E/W County: <u>Duchesne</u> State: <u>UT</u> |
| Operator: <u>Newfield Exploration</u> | | |
| Last MIT: <u>1</u> | Maximum Allowable Pressure: _____ | PSIG |

Is this a regularly scheduled test? ☒ Yes ☐ No
Initial test for permit? ☐ Yes ☒ No
Test after well rework? ☐ Yes ☒ No
Well injecting during test? ☐ Yes ☒ No If Yes, rate: _____ bpd

Pre-test casing/tubing annulus pressure: 159-0 Tub psig

| MIT DATA TABLE | Test #1 | Test #2 | Test #3 |
|------------------------|--|---|---|
| TUBING | PRESSURE | | |
| Initial Pressure | <u>1500</u> psig | psig | psig |
| End of test pressure | <u>1500</u> psig | psig | psig |
| CASING / TUBING | ANNULUS PRESSURE | | |
| 0 minutes | <u>1296</u> psig | psig | psig |
| 5 minutes | <u>1297</u> psig | psig | psig |
| 10 minutes | <u>1299</u> psig | psig | psig |
| 15 minutes | <u>1301</u> psig | psig | psig |
| 20 minutes | <u>1302</u> psig | psig | psig |
| 25 minutes | <u>1304</u> psig | psig | psig |
| 30 minutes | <u>1305</u> psig | psig | psig |
| _____ minutes | psig | psig | psig |
| _____ minutes | psig | psig | psig |
| RESULT | <input checked="" type="checkbox"/> Pass <input type="checkbox"/> Fail | <input type="checkbox"/> Pass <input type="checkbox"/> Fail | <input type="checkbox"/> Pass <input type="checkbox"/> Fail |

Does the annulus pressure build back up after the test? ☐ Yes ☒ No

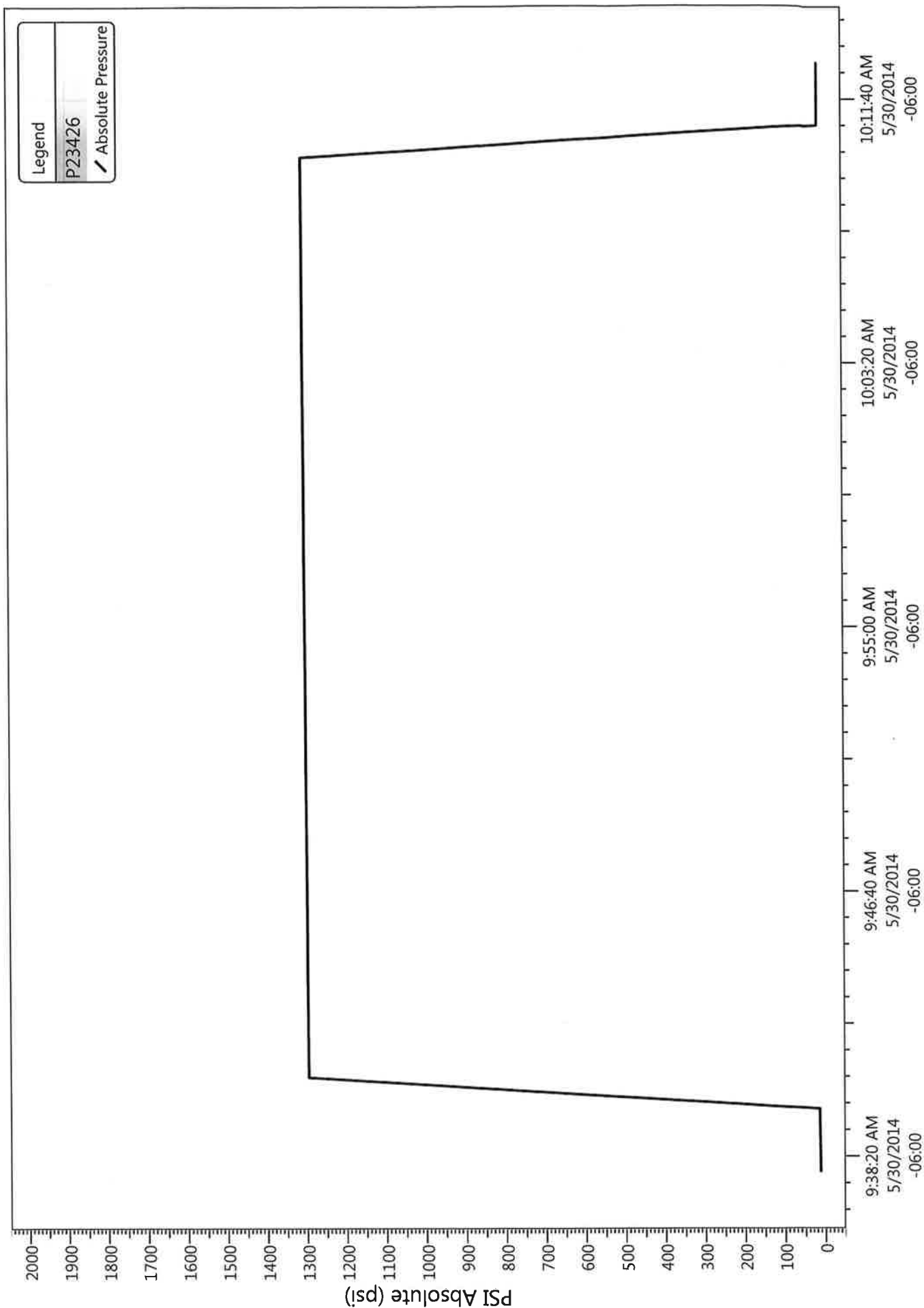
MECHANICAL INTEGRITY PRESSURE TEST

Additional comments for mechanical integrity pressure test, such as volume of fluid added to annulus and bled back at end of test, reason for failing test (casing head leak, tubing leak, other), etc.:

Signature of Witness: _____

Blackjack Federal 4-10-9-17 (5 Year MIT) 5/30/2014

5/30/2014 9:37:12 AM



Spud Date: 6/18/2004
 Put on Production: 8/10/2004
 GL: 5195' KB: 5207'

Blackjack Federal 4-10-9-17

Injection Wellbore Diagram

SURFACE CASING

CSG SIZE: 8 5/8"
 GRADE: J-55
 WEIGHT: 24#
 LENGTH: 7 jts. (303.08')
 DEPTH LANDED: 313.08' KB
 HOLE SIZE: 12 1/4"
 CEMENT DATA: 150 sxs Class "G" mixed cement, est 2 bbls cement to surf.

PRODUCTION CASING

CSG SIZE: 5 1/2"
 GRADE: J-55
 WEIGHT: 15.5#
 LENGTH: 139 jts. (5860.15')
 DEPTH LANDED: 5858.15' KB
 HOLE SIZE: 7 7/8"
 CEMENT DATA: 325 sxs Premix Lite II mixed & 425 sxs 50/50 POZ mix.
 CEMENT TOP AT: 170'

TUBING

SIZE GRADE WT.: 2-7/8" J-55 6.5#
 NO. OF JOINTS: 120 jts. (3598.44')
 SEATING NIPPLE: 2-7/8" (1.10')
 SN LANDED AT: 3910.44' KB
 ARROW #1 PACKER CE AT: 3914.64'
 TOTAL STRING LENGTH: FOT 3915.74'

FRAC JOB

08/03/04 5670-5770' **Frac CP5 and 4 sands as follows:**
 60,960# 20/40 sand in 516 bbls lightning Frac
 17 fluid. Treated @ avg press of 1763 psi
 w avg rate of 25 BPM. ISIP 1920 psi. Calc
 flush: 5668 gal. Actual flush: 5712 gal

08/03/04 5488-5546' **Frac CP2 and 1 sands as follows:**
 84,733# 20/40 sand in 642 bbls lightning Frac
 17 fluid. Treated @ avg press of 1315 psi
 w avg rate of 24.9 BPM. ISIP 1640 psi. Calc
 flush: 5486 gal. Actual flush: 5485 gal.

08/03/04 5111-5119' **Frac A1 sands as follows:**
 29,741# 20/40 sand in 326 bbls lightning Frac
 17 fluid. Treated @ avg press of 1717 psi
 w avg rate of 24.9 BPM. ISIP 1870 psi. Calc
 flush: 5109 gal. Actual flush: 5107 gal.

08/03/04 4816-4891' **Frac B.5 and C sands as follows:**
 65,962# 20/40 sand in 499 bbls lightning Frac
 17 fluid. Treated @ avg press of 1913 psi
 w avg rate of 24.9 BPM. ISIP 2030 psi. Calc
 flush: 4814 gal. Actual flush: 4729 gal

8/17/04 Change polish rod.
 06/29/09 Convert to Injection Well
 07/01/09 Conversion MIT Finalized - update the detail

PERFORATION RECORD

| | | | |
|---------|------------|--------|----------|
| 7/29/04 | 5760-5770' | 4 JSPF | 40 holes |
| 7/29/04 | 5698-5702' | 4 JSPF | 16 holes |
| 7/29/04 | 5670-5677' | 4 JSPF | 28 holes |
| 8/03/04 | 5536-5546' | 4 JSPF | 40 holes |
| 8/03/04 | 5517-5522' | 4 JSPF | 20 holes |
| 8/03/04 | 5488-5502' | 4 JSPF | 56 holes |
| 8/03/04 | 5111-5119' | 4 JSPF | 32 holes |
| 8/03/04 | 4886-4891' | 4 JSPF | 20 holes |
| 8/03/04 | 4816-4826' | 4 JSPF | 40 holes |

NEWFIELD

Blackjack Federal 4-10-9-17
 398' FNL & 520' FWL
 NW/4 Section 10-T9S-R17E
 Duchesne Co, Utah
 API #43-013-32507. Lease #UTU-65210

